MARITIME RESOURCES CORP.

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2022 and 2021

(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Maritime Resources Corp.

Opinion

We have audited the accompanying consolidated financial statements of Maritime Resources Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2022 and 2021, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company has incurred ongoing losses since inception, has no sources of reoccurring revenue and does not have sufficient working capital to continue beyond one year. As stated in Note 1, these events and conditions indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matter described below to be the key audit matters to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 10 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $34,973,726 as of December 31, 2022. As more fully described in Note 2 and 3 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each statement of financial position date.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Assessing compliance with agreements and expenditure requirements including reviewing option agreements and vouching cash payments and share issuances.
- Obtaining, on a test basis through government websites, confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Estimate of Reclamation Provisions related to E&E Assets

As described in Note 13 to the consolidated financial statements, the carrying amount of the Company's reclamation provision was $718,750 as of December 31, 2022. As more fully described in Note 2 and 3 to the consolidated financial statements, management assesses its provision for restoration, rehabilitation, and environmental obligations on an annual basis or when new material information becomes available.

The principal considerations for our determination that the estimate of reclamation provisions is a key audit matter are that estimating the costs of such reclamation activities includes significant judgement such as when the reclamation will take place, the time period required to undertake the reclamation, the extent and costing of reclamation activities, regulatory and legislative changes, inflation and discount rates utilized. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their estimate of the net present value of reclamation provisions.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Assessing the reasonableness of changes in cost estimates against prior year calculations, and timing of expected reclamation activities.
- Evaluating the mathematical accuracy of the reclamation provision model.
- Evaluating the inflation rate and discount rate utilized in the reclamation provision model.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

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

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

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Carmen Newnham.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

April 26, 2023

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at December 31 (in Canadian dollars)	**Note**	**2022** **$**	2021 $
ASSETS			
Current			
Cash	5	**2,503,453**	4,339,859
Restricted cash	5	**200,000**	-
Receivables	7	**136,715**	298,216
Prepaid expenses and deposits	8	**137,752**	141,619
		2,977,920	4,779,694
Deposits	10	**111,731**	119,923
Property, plant and equipment	4,9	**1,850,824**	1,956,403
Exploration and evaluation assets	4,10	**34,973,726**	31,233,481
Total Assets		**39,914,201**	38,089,501
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	11	**845,448**	821,237
Current portion of lease liabilities	12	**82,355**	87,037
Flow-through premium liability	14	**-**	223,319
		927,803	1,131,593
Deferred income tax liability	16	**79,000**	-
Lease liabilities	12	**307,509**	330,614
Reclamation liability	4,13	**718,750**	718,750
Total Liabilities		**2,033,062**	2,180,957
Shareholders' equity			
Share capital	14	**49,161,192**	45,132,523
Reserves	14	**2,022,164**	2,576,413
Royalty reserve	14	**210,700**	210,700
Deficit		**(13,512,917)**	(12,011,092)
Total Shareholders' Equity		**37,881,139**	35,908,544
Total Liabilities and Shareholders' Equity		**39,914,201**	38,089,501

Nature of operations and going concern (Note 1).

Approved and authorized on behalf of the Board of Directors:

"John P. Hayes"
Chairman

"Tom Yip"
Director

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

MARITIME RESOURCES

CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the year ended December 31 (in Canadian dollars)	**Note**	**2022** **$**	2021 $
EXPENSES			
Administration	15	**249,553**	251,819
Consulting		**62,890**	4,770
Depreciation	9	**171,276**	82,605
Directors' fees and expenses	15	**100,400**	88,516
Interest expense on lease liabilities	12	**39,244**	6,767
Investor relations and promotion		**224,042**	347,740
Professional fees		**282,599**	84,037
Salaries and benefits	15	**1,050,710**	1,180,107
Share-based payments	14,15	**6,397**	893,914
		(2,187,111)	(2,940,275)
Interest income		**3,357**	18,023
Other income	6	**4,841**	-
Loss on sale of royalty interests	10	**(70,927)**	-
Gain on marketable securities	6	**135,370**	-
Loss on sale of marketable securities	6	**(6,108)**	-
Gain on sale of exploration properties	10	**189,068**	-
Recognition of flow-through premium liability	14	**223,319**	1,304,694
		478,920	1,322,717
Loss before income taxes		**(1,708,191)**	(1,617,558)
Deferred income tax expense	16	**(79,000)**	-
Loss and comprehensive loss for the year		**(1,787,191)**	(1,617,558)
Basic and diluted loss per common share		**Nil**	Nil
Weighted average number of common shares outstanding – basic and diluted		**420,368,875**	377,054,950

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

MARITIME RESOURCES

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(in Canadian dollars)	Shares \#	Share capital $	Reserves $	Royalty reserve $	Deficit $	Total $
Balance, December 31, 2020	**312,001,233**	**33,399,928**	**1,971,293**	**210,700**	**(10,687,436)**	**24,894,485**
Issued for private placements (Note 14)	69,270,000	10,907,000	-	-	-	10,907,000
Issued for warrant exercises (Note 14)	13,165,940	2,026,792	(51,901)	-	-	1,974,891
Share issuance costs (Note 14)	-	(701,002)	-	-	-	(701,002)
Finders' warrants (Note 14)	-	(131,670)	131,670	-	-	-
Flow-through premium liability (Note 14)	-	(1,324,400)	-	-	-	(1,324,400)
Issued for advisory services (Note 4,14)	400,000	82,000	-	-	-	82,000
Issued for mineral properties (Note 10,14)	1,050,000	138,500	-	-	-	138,500
Issued for gold plant acquisition (Note 4,14)	3,571,428	660,714	-	-	-	660,714
Share-based payments (Note 14)	-	-	893,914	-	-	893,914
Reserves transferred on expired options (Note 14)	-	-	(293,902)	-	293,902	-
Reserves transferred on expired warrants (Note 14)	-	74,661	(74,661)	-	-	-
Loss for the year	-	-	-	-	(1,617,558)	(1,617,558)
Balance, December 31, 2021	**399,458,601**	**45,132,523**	**2,576,413**	**210,700**	**(12,011,092)**	**35,908,544**
Issued for private placements (Note 14)	74,000,000	3,700,000	-	-	-	3,700,000
Share issuance costs (Note 14)	-	(49,111)	-	-	-	(49,111)
Issued for mineral properties (Note 10,14)	800,000	102,500	-	-	-	102,500
Share-based payments (Note 14)	-	-	6,397	-	-	6,397
Reserves transferred on expired options (Note 14)	-	-	(285,366)	-	285,366	-
Reserves transferred on expired warrants (Note 14)	-	275,280	(275,280)	-	-	-
Loss for the year	-	-	-	-	(1,787,191)	(1,787,191)
Balance, December 31, 2022	**474,258,601**	**49,161,192**	**2,022,164**	**210,700**	**(13,512,917)**	**37,881,139**

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

MARITIME RESOURCES

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the year ended December 31 (in Canadian dollars)	2022 $	2021 $
Cash flows from operating activities		
Loss for the year	**(1,787,191)**	(1,617,558)
Items not involving cash:		
Depreciation	**171,276**	82,605
Deferred income tax expense	**79,000**	-
Flow-through premium recovery	**(223,319)**	(1,304,694)
Loss on sale of royalty interests	**70,927**	-
Loss on sale of marketable securities	**6,108**	-
Gain on marketable securities	**(135,370)**	-
Gain on sale of Manitoba properties	**(189,068)**	-
Share-based payments	**6,397**	893,914
Changes in non-cash working capital items:		
(Increase) decrease in receivables	**161,501**	46,841
(Increase) decrease in accrued interest receivable	**-**	(5,018)
(Increase) decrease in prepaid expenses and deposits	**3,867**	(25,333)
Increase (decrease) in accounts payable and accrued liabilities	**(26,954)**	63,605
Net cash and restricted cash provided by (used in) operating activities	**(1,862,826)**	(1,865,638)
Cash flows from investing activities		
Acquisition of gold plant and other assets	**-**	(2,674,749)
Exploration and evaluation expenditures	**(5,198,063)**	(9,599,944)
Property and equipment expenditures	**-**	(161,684)
Recoveries and grants	**60,000**	76,500
Proceeds from sale of marketable securities	**961,897**	-
Sale of Lac Pelletier NSR	**300,000**	-
Sale of exploration properties	**200,000**	-
Sale of royalty interests	**375,300**	-
Selling costs	**(30,205)**	-
Net cash and restricted cash provided by (used in) investing activities	**(3,331,071)**	(12,359,877)
Cash flows from financing activities		
Proceeds from private placement	**3,700,000**	10,907,000
Proceeds from warrant exercises	**-**	1,974,891
Repayment of lease liabilities	**(93,398)**	(34,131)
Share issue costs	**(49,111)**	(701,002)
Net cash and restricted cash provided by (used in) financing activities	**3,557,491**	12,146,758
Change in cash and restricted cash during the year	**(1,636,406)**	(2,078,757)
Cash and restricted cash, beginning of the year	**4,339,859**	6,418,616
Cash and restricted cash, end of the year	**2,703,453**	4,339,859
Supplemental disclosure		
Cash paid for interest	**39,244**	6,767
Supplemental disclosure of non-cash financial and investing activities		
Deferred acquisition costs applied to purchase of assets	**-**	277,256
Expiry/cancellation of stock options	**285,366**	293,902
Expiry of warrants	**275,280**	74,661
Exploration and evaluation assets included in accounts payable	**719,605**	668,440
Fair value of finders' warrants	**-**	131,670
Fair value of stock options and warrants exercised	**-**	51,901
Flow-through share premium	**-**	1,324,400
Marketable securities received upon sale of royalty interests	**832,635**	-
Recognition of right of use assets and lease liabilities	**-**	408,630
Shares issued for gold plant and other assets acquisition	**-**	660,714
Shares issued to advisors and finders	**-**	82,000
Shares issued for property	**102,500**	138,500

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Maritime Resources Corp. and its subsidiary (the "Company" or "Maritime") is an exploration stage company. Maritime Resources Corp. was incorporated under the Business Corporations Act (British Columbia) on May 14, 2007. The Company is focused on re-starting the past producing Hammerdown Gold Mine located near the Baie Verte mining district in Newfoundland and Labrador, Canada as well as exploration on its other properties in the region. The Company also holds a portfolio of mineral exploration properties in mining camps across Canada in a wholly owned subsidiary.

The Company's registered and records office is 3200 - 650 West Georgia Street, Vancouver, BC, Canada, V6B 4P7. The Company also has an office in Toronto at 1900 - 110 Yonge Street, Toronto, ON, Canada, M5C 1T4. The shares of the Company are traded on the TSX Venture Exchange ("TSX-V") under the symbol MAE.

As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The COVID-19 global pandemic and political conflict in other regions have adversely affected workforce availability, economies and financial markets globally. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

These consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal business operations as they become due. Although it has been successful in raising financing in the past, there is no assurance it will be able to do so in the future. The Company sold its marketable securities during the second quarter of 2022 for cash proceeds of $961,897, net of commission, and raised $3,700,000 of gross proceeds through a non-brokered placement financing in September 2022. However, the Company has incurred losses since inception, has no sources of reoccurring revenue and does not have sufficient working capital to continue beyond one year. The Company expects to obtain additional financing during the second quarter of 2023, however if the Company is unable to obtain adequate additional financing, it will further curtail exploration and development activities. These events and conditions indicate a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. Such adjustments could be material.

2. STATEMENT OF COMPLIANCE AND BASIS OF PRESENTATION

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB") and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

The consolidated financial statements have been prepared using the historical cost basis, except for financial instruments which are stated at fair value and have been prepared using the accrual basis of accounting except for cash flow information. All dollar amounts presented are in Canadian dollars unless otherwise specified. The accounting policies have been applied consistently to all years presented in these consolidated financial statements, unless otherwise indicated.

These consolidated financial statements were authorized for issue by the Board of Directors on April 26, 2023.

Basis of consolidation

These consolidated financial statements comprise the financial results of Maritime Resources Corp. and its wholly owned subsidiary 2823988 Ontario Corp. All inter-company balances are eliminated on consolidation.

Use of estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Critical judgments exercised in the application of accounting policies having the most significant effects on the amounts recognized in the consolidated financial statements are as follows:

Economic recoverability and profitability of future economic benefits of exploration and evaluation assets – 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 geological and other technical information, commodity price forecasts, a history of conversion of mineral deposits with similar characteristics to its properties, evaluation of permitting and environmental issues and other such factors.

Property, plant and equipment – Management is required to assess the useful economic lives and residual values of the property, plant and equipment. Determining the useful lives required judgment based on factors such as asset maintenance, rate of technical and commercial obsolescence and asset usage. The useful lives of key assets are reviewed annually.

Acquisition accounting – The assessment of whether acquisitions are considered business combinations or asset acquisitions requires management judgement, the outcome of which may result in different accounting treatments. Judgement is also required to determine the allocation of the fair value of the purchase price of the Acquisition (Note 4).

Royalty reserve – Royalty reserve includes proceeds received from royalty units, repayable from future production. As future production is not determinable, the royalty units have been classified as capital in nature.

Going concern – The Company assesses its ability to continue as a going concern at each period end. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least twelve months from the end of the reporting period and include a detailed analysis of the Company's projected estimated capital and operating expenses and estimated financing requirements and abilities (Note 1).

The most significant accounts that require estimates as the basis for determining the stated amounts include the following:

Decommissioning and rehabilitation provision – Management's determination of the Company's decommissioning and rehabilitation provision is based on the reclamation and closure activities it anticipates as being required and its estimate of the probable costs and timing of such activities and measures. Accounting for reclamation obligations requires management to make estimates and judgements of the future costs the Company will incur to complete the reclamation work required to comply with existing laws and regulations at each mining operation and exploration and development property. Actual costs incurred may differ from those amounts estimated. Also, future changes to environmental laws and regulations could increase the extent of reclamation work required to be performed by the Company. Increases in future costs could materially impact the amounts charged to operations for reclamation. The provision represents management's best estimate of the present value of the future reclamation and remediation obligation. The actual future expenditures may differ from the amounts currently provided.

Valuation of share-based payments, agent compensation and finders' warrants – The Company uses the Black-Scholes Option Pricing Model for valuation of share-based payments, agent compensation and finders' warrants, which requires the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's results and equity reserves. The resulting value calculated is not necessarily the value that the holder of the option could receive in an arm's length transaction, given that there is no market for the options and they are not transferable.

Income taxes – In assessing the probability of realizing deferred tax assets, management makes estimates related to expectation of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that the tax position 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.

While management believes that these estimates are reasonable, actual results could differ from those estimates and could impact future results of operation and cash flows.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Functional and presentation currency

The Company's functional and presentation currency is the Canadian dollar.

(b) Segmented information

The Company has one operating segment, mineral exploration and evaluation, and operates in one geographical segment, being Canada.

(c) Cash and restricted cash

Cash and restricted cash include cash and highly liquid investments in the form of demand term deposits, Government of Canada treasury bills, and Guaranteed Investment Certificates, denominated in US dollars and Canadian dollars, with investment terms that are less than 90 days at the time of acquisition. These investments are stated at cost plus accrued interest, which approximate their fair value. Cash and restricted cash also include cash held in escrow accounts for periods of less than 12 months after the reporting date.

(d) Property and equipment

Property and equipment are stated at cost, less accumulated depreciation and amortization and any impairment. Cost includes expenditures that are directly attributable to the acquisition of the asset. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be measured reliably. The carrying amount of a replaced asset is derecognized when replaced. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

Property and equipment will be depreciated using the straight-line method over their estimated useful lives, as follows:

Furniture and leaseholds	Term of the lease
Vehicles	4 years
Exploration Equipment	2-5 years

The assets' residual values, method of depreciation and useful lives, are reviewed annually and modified if appropriate. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals of property and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other gains and losses in profit or loss.

(e) Exploration and evaluation assets ("E&E")

Once the legal right to explore a property has been obtained, costs directly related to E&E expenditures are recognized and capitalized, in addition to the acquisition costs, net of recoveries, on a property-by-property basis. These direct expenditures include such costs as materials used, surveying costs, geology, geophysics and drilling costs and payments made to contractors during the exploration phase. Costs not directly attributable to E&E activities, including general administrative overhead costs, are expensed in the period in which they occur.

From time to time the Company may acquire or dispose of a mineral property pursuant to the terms of an option agreement. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments and government assistance are recorded as property costs or recoveries when the payments are made or received.

Upon completion of a feasibility study and when commercial viability is demonstrated and an impairment test is performed, capitalized exploration and evaluation assets are transferred to and classified as mineral property development costs. Costs associated with the commissioning of new assets incurred in the period before they are operating in the way intended by management, are capitalized. Interest on borrowings related to the construction and development of assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

If economically recoverable ore reserves are developed, capitalized costs of the related property will be reclassified as mining assets and will be amortized using the unit-of-production method. When a property is deemed to no longer have commercially viable prospects to the Company, E&E expenditures in respect of the project are deemed to be impaired. Accordingly, E&E costs, in excess of estimated recoveries, are written off to profit or loss.

Impairment

The Company assesses E&E assets for impairment at each statement of financial position date or whenever facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. A cash-generating unit is the smallest identifiable group of E&E assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Title to mineral properties

Although the Company has taken steps to verify title to the properties in which it has an interest in accordance with industry standards for properties in the exploration stage, these procedures do not guarantee that title to the properties will not be challenged or impugned. Property title may be affected by undetected defects, be subject to unregistered prior agreements, transfers or land claims, or be non-compliant with regulatory requirements.

(f) Provision for environmental rehabilitation

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and evaluation on the resource properties, the potential for production on the properties may be diminished or negated.

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates, using a pre-tax rate, that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as interest expense.

The Company assesses its provision for restoration, rehabilitation and environmental obligations on an annual basis or when new material information becomes available.

(g) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount receivable can be measured reliably.

(h) Financial instruments

The Company classifies its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

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

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are classified as FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income/loss.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Receivables and deposits are measured at amortized cost with subsequent impairment recognized in profit or loss. Cash, restricted cash and marketable securities are classified as FVTPL.

Impairment

An 'expected credit loss' impairment model requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and accrued liabilities and lease liabilities are classified at amortized cost.

As at December 31, 2022, the Company does not have any derivative financial liabilities.

(i) Leases

At inception of a contract, the Company assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Lease payments are allocated between the lease liability and interest expense. Interest expense is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

(j) Income taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the consolidated financial statements.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred income tax assets also result from unused loss carry-forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(k) Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. The Board of Directors grants such options for periods of up to ten years, with vesting periods determined at its discretion and at prices not less than the closing market price on the grant date.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period during which the options are earned. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. The fair value of the options is measured at the date of grant. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The offset to the recorded cost is to share-based payments reserve. Consideration received on the exercise of stock options is recorded as share capital and the related share-based payments reserve is transferred to share capital. Upon expiry, the recorded value is transferred to deficit.

The Company grants compensation warrants to agents and underwriters for services provided. The equity-based share-based payment transactions are measured at the fair value of goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. Consideration received on exercise of the compensation warrants is recorded as share capital and the related warrant reserve is transferred to share capital. Upon expiry, the recorded value is transferred to share capital.

(l) Flow-through shares, private placement units, royalty units and treasury shares

At the time of closing a financing involving flow-through shares, the Company allocates the gross proceeds received (i.e., the “flow-through share premium”) as follows:

- Share capital – the market value of the share.
- Flow-through share premium – recorded as a liability and equal to the estimated premium, if any, investors pay for the flow-through feature based on the residual value method.
- Warrants – recorded as reserves based on the residual value method.

Thereafter, as qualifying resource expenditures are incurred, these costs are expensed and the flow-through share premium is amortized to profit or loss on a pro-rata basis.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued and recorded to profit or loss.

Proceeds received on the issuance of units, consisting of common shares and warrants, are allocated first to common shares based on the quoted market price of the common shares at the time the units are priced, then to the flow-through tax premium, if any and thereafter to warrants.

Royalty units are recorded as reserves based on their fair value (amounts received).

Treasury shares (repurchased shares) are valued at the cost paid to repurchase until sold or returned to treasury. As they are no longer considered outstanding, they are excluded from the weighted average number of shares outstanding in calculating the loss per share.

(m) Loss per share

Loss per share is calculated using the weighted average number of common shares outstanding during the period. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to re-purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of conversions or exercise of options and warrants as they would be anti-dilutive.
Shares subject to escrow restrictions are excluded from the weighted average number of common shares unless their release is subject only to the passage of time.

(n) New IFRS pronouncements

New accounting pronouncements issued and effective:

Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use

In May 2020, the IASB issued amendments to *IAS 16, Property, Plant and Equipment*. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related costs in profit or loss. The amendments apply to annual reporting periods beginning on or after January 1, 2022. The amendments are applied retrospectively only to items of property, plant and equipment that are available for use after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The amendments did not have an impact on the Company's consolidated financial statements.

New accounting pronouncements that have been issued that are not effective for reporting periods ending December 31, 2022 and have not been early adopted by the Company.

Amendments to IAS 12 - Income Taxes

In May 2021, the IASB issued "Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)" that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for annual periods beginning on or after January 1, 2023. Management does not expect an impact to the consolidated financial statements as a result of the adoption of this standard effective January 1, 2023.

Amendments to IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

In February 2021, the IASB issued "Definition of Accounting Estimates (Amendments to IAS 8)" to help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after January 1, 2023. Management does not expect an impact to the consolidated financial statements as a result of the adoption of this standard effective January 1, 2023.

Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued "Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)" with amendments that are intended to assist entities in deciding which accounting policies to disclose in their financial statements. The amendments are effective for annual periods beginning on or after January 1, 2023. Management does not expect an impact to the consolidated financial statements as a result of the adoption of this standard effective January 1, 2023.

Amendment to IAS 1 - Presentation of Financial Statements
The IASB issued an amendment to *IAS 1 - Presentation of Financial Statements* ("IAS 1") to clarify the criteria for classifying a liability as non-current if there is the right to defer settlement of the liability for at least 12 months after the reporting period. Classification is unaffected by the expectations that the entity will exercise its right to defer

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settlement of a liability. Lastly, the amendments clarify that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets. The amendments are effective for annual periods beginning on or after January 1, 2024. Earlier adoption is permitted. Management will assess the impact of these amendments.

4. ACQUISITION

On April 12, 2021, the Company closed a transaction with two subsidiaries of Rambler Metals and Mining PLC, namely Rambler Metals and Mining Canada Limited and 1948565 Ontario Inc. (together, "Rambler") in respect of the purchase by the Company (the "Acquisition") of the gold circuit at the Nugget Pond metallurgical facility in the Baie Verte mining district of Newfoundland and Labrador, the Lac Pelletier gold project in Rouyn Noranda, Québec and several other mineral exploration properties located in Québec, Manitoba and Ontario and a portfolio of royalty interests in key mining camps across Canada (collectively, the "Assets"). Sprott Capital Partners LP acted as advisor to Maritime in connection with the Acquisition and were issued 400,000 common shares with a value of $82,000 in consideration for such services.

Pursuant to the terms of the purchase agreement, the consideration paid by the Company for the Assets was US$2,000,000 in cash and the issuance of 3,571,428 common shares having a value of $660,714. The Company also assumed the reclamation liability of $718,750 associated with Nugget Pond gold plant assets (Note 13). The Company incurred transaction costs of $315,765 in addition to a deposit of $200,000 paid to Rambler on March 12, 2020 totaling $515,765 and included $82,000 for the non-cash value of the 400,000 common shares issued for advisory services and the allocation of $277,256 of deferred acquisition costs incurred in fiscal 2020.

The transaction was accounted for as an asset acquisition and the allocation of the purchase price to the assets acquired and liabilities assumed was based on estimated fair values at the time of acquisition.

The allocation of the purchase price to the estimated fair value of the assets and liabilities purchased from Rambler was as follows:

	$
Purchase price	
Consideration paid in cash	2,518,240
Consideration paid in shares	660,714
Transaction costs	515,765
	3,694,719
Fair value of assets and liabilities acquired	
Property, plant and equipment (Note 9)	1,394,300
Mineral properties and interests (Note 10)	1,764,869
Royalty interests (Note 10)	1,254,300
Reclamation provision (Note 13)	(718,750)
	3,694,719

On January 21, 2022, Maritime sold its royalty interests (Note 6 and 10).

5. CASH AND RESTRICTED CASH

	December 31, 2022 $	December 31, 2021 $
Cash	**2,503,453**	639,859
Guaranteed Investment Certificate – Fully redeemable	**-**	3,700,000
	2,503,453	4,339,859

At December 31, 2022, restricted cash of $200,000 was held in escrow pursuant to the sale of the Manitoba claims and were released subsequent to December 31, 2022, on February 17, 2023 following transfer of the claims (Note 10).

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6. MARKETABLE SECURITIES

Pursuant to the sale of its royalty interests on January 21, 2022, Maritime was issued 96,818 Nomad Royalty Company Ltd. ("Nomad") common shares which were recorded as marketable securities with a fair value of $832,635, using the closing share price on the transaction date (Note 10). Marketable securities are classified as financial assets measured at fair value through profit or loss and recorded at fair value using the quoted market prices and accordingly, are classified as Level 1 within the fair value hierarchy. During the year ended December 31, 2022, the marketable securities were measured at a fair value resulting in a gain of $135,370. The Nomad common shares were subject to a statutory hold period that expired on May 22, 2022 and were sold in June 2022 for cash proceeds of $961,897, net of commission, and the Company recorded a loss on sale of marketable securities of $6,108. A dividend payment of $4,841 was received from Nomad and recorded in other income during the year ended December 31, 2022.

7. RECEIVABLES

	December 31, 2022 **$**	December 31, 2021 $
Input sales tax recoverable	**136,472**	292,955
Interest and other receivables	**243**	5,261
	136,715	298,216

8. PREPAID EXPENSES AND DEPOSITS

	December 31, 2022 **$**	December 31, 2021 $
Prepaid expenses	**68,436**	73,319
Deposits	**69,316**	68,300
	137,752	141,619

9. PROPERTY, PLANT AND EQUIPMENT

	Mill Equipment **$**	**Right of use assets** **$**	**Furniture and Leaseholds** **$**	**Vehicles** **$**	**Exploration Equipment** **$**	**Total** **$**
Net book value – December 31, 2020	**-**	**45,113**	**13,210**	**16,071**	**-**	**74,394**
Additions	1,394,300	408,630	15,648	52,788	93,248	1,964,614
Depreciation	-	(37,159)	(8,618)	(18,948)	(17,880)	(82,605)
Net book value – December 31, 2021	**1,394,300**	**416,584**	**20,240**	**49,911**	**75,368**	**1,956,403**
Additions	-	65,697	-	-	-	65,697
Depreciation	-	(115,603)	(9,715)	(19,118)	(26,840)	(171,276)
Net book value – December 31, 2022	**1,394,300**	**366,678**	**10,525**	**30,793**	**48,528**	**1,850,824**

As at December 31, 2022 and 2021, the Nugget Pond mill is not considered available for use and accordingly is not being depreciated.

10. EXPLORATION AND EVALUATION ASSETS

Green Bay

The Company's Green Bay property, located in Newfoundland and Labrador, Canada hosts the past producing Hammerdown gold mine, as well as the Orion gold deposit and the historic Lochinvar lead, zinc, coper, silver and gold deposit. On September 17, 2020, the Company exercised an early buy-down right of one-half of the Hammerdown deposit royalty held by Commander Resources Ltd. ("Commander") for $750,000. Commander retains a 1% net smelter return royalty ("NSR") over the Hammerdown deposit and surrounding lands which excludes the Orion deposit. Allowed deductions in calculating the NSR include transportation costs and toll milling charges.

On January 22, 2020, the Company entered into an option agreement to earn a 100% interest in the Sprucy Pond property, which is contiguous to the Hammerdown project. On March 10, 2022, the Company made the final payment of $30,000 and 250,000 common shares with a fair value of $33,750 to exercise its option in full to acquire 100% interest for aggregate cash consideration of $60,000 and 750,000 common shares with a fair value of $80,000 over a two year period.

The Sprucy Pond property is subject to a 1.0 % NSR of which 50% can be purchased for $500,000.

On May 16, 2018, the Company entered into an option agreement to earn a 100% interest in the Inomin property consisting of certain mineral claims that extend the Green Bay property. On September 17, 2021, the Company paid the final payment comprised of cash consideration of $125,000 and 500,000 common shares with a fair value of $65,000 to exercise its option in full to acquire 100% interest in the Green Bay Inomin property. The Company paid aggregate cash consideration of $300,000 and 2,000,000 shares with an aggregate fair value of $235,000 over a period of four years. The Inomin property is subject to a 1.0 % NSR of which 100% can be purchased for $500,000. The project also has an underlying NSR of 2.5% of which 1.5% can be purchased for $1,000,000.

Whisker Valley

On February 27, 2017, the Company entered into an agreement to acquire a 100% interest in the Whisker Valley property in the Baie Verte mining district of Newfoundland and Labrador, Canada. On March 22, 2022 (the "Exercise Date"), the Company completed the final payment of $100,000 and 500,000 common shares with a fair value of $ 62,500 to exercise its option in full for aggregate cash consideration of $300,000 and 1,500,000 common share with a fair value of $169,250 over a 5 year period to exercise its option in full.

The Company is required to make an additional payment to the optionors of $50,000 on each of the first, second and third anniversary of the Exercise Date. Subsequent to December 31, 2022, the Company paid $50,000 on the first anniversary of the Exercise Date. The property is subject to a 2.5% NSR, of which 1% can be purchased for $1,000,000 on or before the end of the second anniversary of commencement of commercial production.

On December 27, 2020, the Company exercised its option in full to acquire 100% interest in the Strugglers Pond property in Newfoundland and Labrador, Canada (contiguous to Whisker Valley), for aggregate cash consideration of $30,000 and 100,000 shares with an aggregate fair value of $11,350 over a period of three years. The Company has the option to buy-back one-half of the 2% NSR royalty for $1,000,000 on or before the end of the second anniversary of commercial production.

On November 23, 2019, the Company exercised its option in full to acquire 100% interest in the El Strato property in Newfoundland and Labrador, Canada (contiguous to Whisker Valley), for aggregate cash consideration of $40,000 and 750,000 shares with an aggregate fair value of $61,250 over a period of two years. The Company has the option to buy-back one-half of the 2% NSR royalty for $1,000,000 on or before the end of the second anniversary of commercial production.

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The Strugglers Pond and El Strato properties are subject to separate 2% NSR royalties, of which 1% can be purchased for $1,000,000 on or before the end of the second anniversary of commercial production.

Subsequent to December 31, 2022, on January 31, 2023, the Company entered into an agreement to acquire a 100% interest in certain mineral property interests located on the Whisker Valley property in the Baie Verte mining district of Newfoundland and Labrador, Canada, under the following terms:

	Cash $
Upon signing [1]	10,000 (paid)
January 31, 2024	15,000
January 31, 2025	25,000
	50,000

[1] Subsequent to December 31, 2022, the Company made a $10,000 payment per the property Option agreement.

The Company has the option to buy-back one-half of the 1% NSR royalty for $500,000 on or before the end of the second anniversary of commercial production.

Gull Ridge

In January 2019, the Company acquired the new Gull Ridge property claims by staking.

On December 21, 2021, the Company entered into an agreement to acquire a 100% interest in certain mineral property interests located on the Gull Ridge property in the Baie Verte mining district of Newfoundland and Labrador, Canada, under the following terms:

	Cash $	Common shares #
Upon signing/ approval	10,000 (paid)	50,000 (issued)
January 7, 2023 [1]	10,000	50,000
January 7, 2024	10,000	50,000
January 7, 2025	20,000	100,000
	50,000	**250,000**

[1] Subsequent to December 31, 2022, the Company made a $10,000 payment and issued 50,000 shares per the property Option agreement.

Lac Pelletier

The Company acquired a 100% interest in the Lac Pelletier property from Rambler in April 2021, located southwest of Rouyn Noranda, Québec, Canada in the Abitibi Greenstone Belt (Note 4). Lac Pelletier is subject to a 1% NSR royalty to Glencore (formerly Xstrata and Falconbridge). Maritime allocated a value of $1,764,869 to the Lac Pelletier exploration property upon acquisition.

On October 5, 2022, the Company sold a 1% NSR on its Lac Pelletier Property located in Québec to Metalla Royalty & Streaming Ltd. for cash consideration of $300,000. Selling costs related to the transaction were $5,558. The net proceeds of $294,442 were credited against the Lac Pelletier mineral property.

Royalty Interests

The following exploration property royalty interests were acquired from Rambler in April 2021 and together were allocated a value of $1,254,300 (Note 4). On January 21, 2022, Maritime completed an asset sale transaction with Nomad under which the Company sold a portion of its royalty portfolio in a number of Canadian exploration projects for 96,818 Nomad common shares, fair valued at $832,635 based on the closing share price on the transaction date. As part of the asset sale process, a right of first refusal associated with one of the royalties was exercised and the applicable royalty was sold for $375,300. Total net consideration in cash and shares for the royalty portfolio was valued at $1,183,373 (net of transaction costs of $24,562). The book value of the royalty portfolio on the date of disposition was $1,254,300, resulting in a loss on sale of $70,927.

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Property	Location	Province	Stage	Royalty	Company/Owner
Cossette	Chibougamau	Québec	Exploration	1.5% NSR	David Malouf
Obalski	Chibougamau	Québec	Exploration	1.0% NSR	David Malouf
Ramsay	Chibougamau	Québec	Exploration	1.5% NSR	David Malouf
Red Cliff / Montrose	Stewart	British Columbia	Exploration	1.0% NSR	Mountain Boy Minerals
Valdora	Val-d'Or	Québec	Exploration	1.0% NSR	O3 Mining
Gold Hawk	Val-d'Or	Québec	Exploration	2.0% NSR	O3 Mining
Blue Quartz	Matheson	Ontario	Exploration	0.5% NSR	Orla Mining
Scott Lake	Chibougamau	Québec	Exploration	Advanced royalty	Yorbeau Resources

Other exploration properties

The following exploration properties were acquired from Rambler in April 2021 and were ascribed a nominal fair value.

Owl Creek West – The Company holds a 35% interest in the Owl Creek West joint venture with Newmont Canada who holds 65%. The property is located in Timmins, Ontario, Canada.

Rod-Linda-McKayseff (RLM) – The Company held a 100% interest in the RLM property, located in Snow Lake, Manitoba, Canada. On December 15, 2022, the Company sold the Manitoba property to Hudbay Minerals Inc. for cash consideration of $200,000 pursuant to a purchase and sale agreement. The asset was reduced by $10,932 to $nil and a gain of $189,068 was recorded through profit and loss. The gross cash proceeds of $200,000 were held in escrow until the transfer of the claims were completed subsequent to December 31, 2022, on February 17, 2023.

Daniel – The Company held a 100% interest in the Daniel property, located in Matagami, Québec, Canada. Subsequent to December 31, 2022, the Company closed the sale of the Daniel Property to Nuvau Minerals Corp. ("Nuvau") for gross cash proceeds of $100,000. Maritime holds a 1% NSR on the property for which Nuvau has the right to buy back with a one-time payment of $1,000,000.

Wright – The Company holds a 100% interest in the Wright property, located in Temiscaming, Québec, Canada.

Deposits related to exploration projects

As at December 31, 2022, the Company has provided deposits totaling $10,000 (2021 – $18,192) to vendors as advance payments for services to be provided related to the Hammerdown feasibility study. A deposit of $72,981 for reclamation purposes has been made to the Government of Newfoundland and Labrador on at the Hammerdown project as at December 31, 2022.

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Expenditures incurred on the Company's exploration properties and mineral interests, follow:

	Green Bay $	Whisker Valley $	Gull Ridge $	Lac Pelletier $	Other ON QC & MB $	Royalty Interests $	Total $
Balance, December 31, 2020	**15,939,129**	**2,621,402**	**71,001**	**-**	**-**	**-**	**18,631,532**
Acquisition costs	145,000	75,000	12,665	1,764,869	-	1,254,300	3,251,834
Acquisition costs – shares	95,000	43,500	-	-	-	-	138,500
Exploration expenses:							
Drilling and assaying	3,119,712	703,309	307,561	-	-	-	4,130,582
Geology	1,323,656	400,661	316,496	35,681	-	-	2,076,494
Geophysics	536,024	512,541	205,262	-	-	-	1,253,827
Property	127,445	525	-	9,855	-	-	137,825
Feasibility study	720,695	-	-	-	-	-	720,695
Early works site tree clearing	428,531	-	-	-	-	-	428,531
Environmental & permitting	507,024	33,137	-	-	-	-	540,161
	7,003,087	1,768,673	841,984	1,810,405	-	1,254,300	12,678,449
Less: Recoveries and grants	(76,500)	-	-	-	-	-	(76,500)
Net additions	6,926,587	1,768,673	841,984	1,810,405	-	1,254,300	12,601,949
Balance, December 31, 2021	**22,865,716**	**4,390,075**	**912,985**	**1,810,405**	**-**	**1,254,300**	**31,233,481**
Acquisition costs	30,000	100,000	-	-	-	-	130,000
Acquisition costs – shares	33,750	62,500	6,250	-	-	-	102,500
Exploration expenses:							
Drilling and assaying	1,547,167	144,582	57,196	-	-	-	1,748,945
Geology	1,085,538	136,715	43,215	107,132	-	-	1,372,600
Geophysics	27,443	5,206	2,209	-	-	-	34,858
Property	82,010	3,875	-	11,771	17,570	-	115,226
Feasibility study	1,456,701	-	-	-	-	-	1,456,701
Environmental & permitting	375,090	23,999	-	-	-	-	399,089
	4,637,699	476,877	108,870	118,903	17,570	-	5,359,919
Less: Sale of Royalty Interests	-	-	-	-	-	(1,254,300)	(1,254,300)
Less: Sale of Lac Pelletier 1% NSR	-	-	-	(294,442)			(294,442)
Less: Sale of MB Properties	-	-	-	-	(10,932)	-	(10,932)
Less: Recoveries and grants	(60,000)	-	-	-	-	-	(60,000)
Net additions/disposals	4,577,699	476,877	108,870	(175,539)	6,638	(1,254,300)	3,740,245
Balance, December 31, 2022	**27,443,415**	**4,866,952**	**1,021,855**	**1,634,866**	**6,638**	**-**	**34,973,726**

During the year ended December 31, 2022 and 2021, the Company received $60,000 and $76,500, respectively, pursuant to an application made with the Government of Newfoundland and Labrador in respect of the Newfoundland and Labrador Mineral Incentive Junior Exploration Assistance Program (JEAP) grant for exploration conducted during the calendar years 2021 and 2020, respectively.

11. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	December 31, 2022 **$**	December 31, 2021 $
Accounts payable	**742,723**	724,197
Accrued liabilities	**76,351**	70,321
Due to related parties (Note 15)	**26,374**	26,719
	845,448	821,237

For the years ended December 31, 2022 and 2021 (in Canadian dollars)

12. LEASE LIABILITIES

	Lease liability $
Balance – December 31, 2020	**43,152**
Lease liability recognized during the year	408,630
Lease payments during the year	(40,898)
Interest expense on lease liability	6,767
Balance – December 31, 2021	**417,651**
Lease liability recognized during the year	65,611
Lease payments during the year	(132,642)
Interest expense on lease liability	39,244
Balance – December 31, 2022	**389,864**
Current portion	**82,355**
Long term portion	**307,509**

Lease obligations as at December 31, 2022 relate to a vehicle and a site exploration office. As at December 31, 2022, the Company is required to pay $114,790 (2021 – $123,796) in undiscounted lease payments within the next twelve months and $318,169 (December 31, 2021 – $399,380) over the remaining term of the leases for a total of $432,959 (December 31, 2021 – $523,176).

During the year ended December 31, 2022, the Company incurred operating lease costs of $75,935 (2021 – $74,715) for an office lease not included in lease liabilities.

13. RECLAMATION LIABILITY

The Company's estimates of future decommissioning and restoration for reclamation and closure costs for its gold plant milling assets are based on reclamation standards that meet Canadian regulatory requirements. Elements of uncertainty in estimating these amounts include potential changes in regulatory requirements, reclamation plans and cost estimates, discount rates and timing of expected expenditures.

The undiscounted amount of estimated cash flows required to settle the decommissioning and reclamation costs, related to the Nugget Pond gold circuit assets was estimated at $718,750 as at December 31, 2022 and 2021. At December 31, 2022, the estimated future cash flows were discounted using a risk-free rate of 3.27% (2021 – 1.42%) and an inflation rate of 2% (2021 – 2%) resulting in nominal accretion on the liability at this time. The Company has recorded the undiscounted amount of estimated reclamation costs and will re-evaluate the estimated timing and value of outflows annually and will revise its estimate if necessary.

14. SHARE CAPITAL

Authorized

Unlimited number of common shares without par value.

Issued

During the year ended December 31, 2022

- On September 22, 2022, the Company completed a non-brokered private placement of 74,000,000 common shares at a price of $0.05 per common share for gross proceeds of $3,700,000. Legal, regulatory and other cash costs associated with the private placement totalled $48,545.

For the years ended December 31, 2022 and 2021 (in Canadian dollars)

Exploration and evaluation assets (Note 10)

- The Company issued 50,000 common shares valued at $6,250 in connection with the Gull Ridge property.
- The Company issued 250,000 common shares valued at $33,750 in connection with the Sprucy Pond property.
- The Company issued 500,000 common shares valued at $62,500 in connection with the Whisker Valley property.

During the year ended December 31, 2021

Private Placements

- On April 12, 2021, the Company completed a non-brokered private placement with Tembo Capital of 30,770,000 common shares at a price of $0.13 per common share for gross proceeds of $4,000,100 and 1,846,200 common share purchase warrants with each warrant being exercisable into one common share at a price of $0.1794 per common share until April 12, 2023. Legal, regulatory and other cash costs associated with the private placement totalled $70,488.

- On March 22, 2021, the Company completed a brokered private placement of 38,500,000 common shares on a flow-through basis at a price of $0.1794 per flow-through common share for gross proceeds of $6,906,900. In connection with the closing of the private placement, the Company paid a cash fee of $414,414 and issued an aggregate of 2,310,000 non-transferable compensation warrants with each compensation warrant being exercisable into one common share at a price of $0.1794 per common share until March 22, 2023 with a fair value of $131,670. The flow-through shares were issued at a premium of $1,324,400 and require the Company to incur eligible Canadian exploration expenditures of $6,906,900 before December 31, 2022. Pursuant to the Company incurring eligible flow-through expenditures, the flow-through premium liability was reduced to $nil and $223,319 was recognized into income during the six month period ended June 30, 2022. Legal, regulatory and other cash costs associated with the private placement totalled $212,134.

Exploration and evaluation assets (Note 10)

- The Company issued 250,000 common shares valued at $30,000 in connection with the Sprucy Pond property.
- The Company issued 300,000 common shares valued at $43,500 in connection with the Whisker Valley property.
- The Company issued 500,000 common shares valued at $65,000 in connection with the Inomin property.

Other share issuances

During the year ended December 31, 2021, 13,165,940 common shares were issued upon the exercise of warrants for gross cash proceeds of $1,974,891. The value of the exercised warrants of $51,901 was transferred from reserves to share capital.

Pursuant to the Acquisition on April 12, 2021, 3,571,428 common shares of the Company were issued to Rambler for partial consideration for the purchase of the Assets with a fair value of $660,714 and on June 3, 2021, 400,000 common shares were issued for advisor services with a fair value of $82,000 (Note 4).

Flow-through premium liability	**$**
Balance – December 31, 2020	**203,613**
Flow-through premium liability additions	1,324,400
Settlement of flow-through premium to income	(1,304,694)
Balance – December 31, 2021	**223,319**
Settlement of flow-through premium to income	223,319
Balance – December 31, 2022	**-**

For the years ended December 31, 2022 and 2021 (in Canadian dollars)

Royalty units

During fiscal 2016 the Company issued Royalty Units with a price of $0.01 per Royalty Unit, and, subject to written consent of the Company, may be assigned or transferred in their entirety only. The proceeds of $210,700 received in relation to the Royalty Units has been recorded as a Royalty Reserve within Equity.

Royalty Units will return 100% of the original investment made by the purchasers and is to be paid out of production from the Company's Green Bay project ("Project"). The likelihood of the Project going into production cannot be determined at this time. Total royalties payable from the Royalty Units ("Royalty Payment") are capped at $3,440,500 being the price for which the Equity Units (comprised of common shares and common share warrants) and Royalty Units were purchased. Royalty Payments will be made annually beginning on the first anniversary of the date of commencement of commercial production for the Project. Royalty Payments will be funded solely from 10% of annual net cash flow from the Project, with net cash flow representing net production revenues realized from the Project after deduction of all Project operating and debt servicing costs. At the option of the Company, Royalty Payments will be paid either in cash or in gold.

Stock options

The Company has a "rolling" stock option plan for its directors, officers, employees and consultants. The terms of the plan provide for options to be granted to a maximum of 10% of the issued and outstanding common shares of the Company at the time of grant of the stock options, subject to receipt of annual shareholder approval. The exercise price of each option shall not be less than the minimum price permitted by the policies of the TSX-V, and the options may be granted for a maximum term of ten years from the date of grant. The Company records the fair value of all options granted using the Black-Scholes model as share-based payment expense over the vesting period of the options. Vesting terms are determined by the Board of Directors.

A summary of the Company's stock options follows:

	December 31, 2022		December 31, 2021	
	Options Outstanding #	**Weighted Average Exercise Price $**	Options Outstanding #	Weighted Average Exercise Price $
Balance, beginning of year	**25,830,000**	**0.12**	21,230,000	0.12
Granted	**-**	**-**	7,300,000	0.18
Expired/cancelled	**(3,575,000)**	**(0.11)**	(2,700,000)	0.23
Balance, end of year	**22,255,000**	**0.12**	25,830,000	0.12

During the year ended December 31, 2022, the Company granted nil (2021 – 7,300,000) stock options to directors, officers, consultants and employees of the Company. As at December 31, 2022, all stock options granted have vested. During the year ended December 31, 2022, 3,575,000 (2021 – 2,700,000) stock options were forfeited, cancelled or expired resulting in a reversal of $285,366 (2021 – $293,902) from reserves to deficit. The Company has estimated the forfeiture rate to be nil%. Expected volatility was determined based on the historical movements in the closing price of the Company's shares for a length of time to the expected life of each option. During the year ended December 31, 2022, the Company recorded share based compensation expenses of $6,397 (2021 – $893,914).

For the years ended December 31, 2022 and 2021 (in Canadian dollars)

The following table sets out the details of the weighted-average assumptions used for the Black-Scholes valuation of stock options granted during the year ended December 31, 2021.

Date of Grant	Risk-free interest rate	Volatility	Expected Life
24-Jun-21	0.85%	88.7%	5 years
29-Jul-21	0.73%	88.0%	5 years

As at December 31, 2022, the Company had outstanding stock options, enabling the holders to acquire further common shares as follows:

Options Outstanding #	Options Exercisable #	Exercise Price $	Remaining Contractual Life years	Expiry
4,805,000	4,805,000	0.11	0.93	6-Dec-23
4,450,000	4,450,000	0.10	1.47	18-Jun-24
5,550,000	5,550,000	0.085	2.39	20-May-25
600,000	600,000	0.17	2.70	10-Sep-25
4,850,000	4,850,000	0.18	3.48	24-Jun-26
2,000,000	2,000,000	0.18	3.58	29-Jul-26
22,255,000	**22,255,000**	**0.12**	**2.25**	

Subsequent to December 31, 2022, 4,950,000 stock options were granted to directors, officers and employees of the Company.

Warrants

As at December 31, 2022, the Company had outstanding share purchase warrants, enabling the holders to acquire further shares as follows:

Number of Warrants	Exercise Price	Expiry Date
2,310,000	$0.18	March 22, 2023
1,846,200	$0.18	April 12, 2023
4,156,200		

Share purchase warrant transactions were as follows:

	December 31, 2022		December 31, 2021	
	Warrants Outstanding #	**Weighted Average Exercise Price $**	Warrants Outstanding #	Weighted Average Exercise Price $
Balance, beginning of year	**7,244,073**	**0.17**	35,399,500	0.15
Granted	-	-	4,156,200	0.18
Exercised	-	-	(13,165,940)	0.15
Expired/cancelled	**(3,087,873)**	**0.15**	(19,145,687)	0.15
Balance, end of year	**4,156,200**	**0.18**	7,244,073	0.17

During the year ended December 31, 2022, 3,087,873 (2021 – 19,145,687) warrants expired resulting in the reversal of $275,280 (2021 – $74,661) to share capital. During the year ended December 31, 2021, 13,165,940 warrants were exercised for aggregate gross proceeds of $1,974,891.

Subsequent to December 31, 2022, 4,156,200 warrants expired unexercised.

For the years ended December 31, 2022 and 2021 (in Canadian dollars)

15. RELATED PARTY TRANSACTIONS

(a) Services

Effective February 1, 2019, the Company entered into a sublease for office space in Toronto, with a corporation that is related by virtue of having certain directors and officers in common.

For the years ended December 31, the Company was charged the following:

	2022 $	2021 $
Rent	**75,935**	74,715
Office administration	**5,794**	4,847
	81,729	79,562

(b) Compensation of key management personnel

Key management personnel consist of the directors and executive officers of the Company. Compensation to key management personnel for services rendered were as follows for the years ended December 31:

	2022 $	2021 $
Salaries	**895,261**	945,893
Directors' fees	**90,000**	78,333
Share based payments	**-**	707,900
	985,261	1,732,126

At December 31, 2022, the Company included in accounts payable and accrued liabilities $26,374 (2021 – $26,719), comprised of $22,500 of directors' fees and expenses payable to the members of board of directors of the Company and $3,874 payable to the Chief Executive Officer for travel and related expenses. Amounts due to related parties (Note 11) are non-interest bearing with no specific terms of repayment.

16. INCOME TAX

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2022 $	2021 $
Loss before income taxes for the year	**(1,708,191)**	(1,617,558)
Expected income tax (recovery)	**(461,000)**	(437,000)
Change in statutory, foreign tax, foreign exchange rates and other	**(19,000)**	35,000
Permanent differences	**(105,000)**	(109,000)
Impact of flow-through shares	**316,000**	1,769,000
Share issue costs	**(13,000)**	(189,000)
Adjustment to prior years provision versus statutory tax returns and expiry of non-capital losses	**(83,000)**	(10,000)
Change in unrecognized deductible temporary	**444,000**	(1,059,000)
Total income tax expense (recovery)	**79,000**	-

For the years ended December 31, 2022 and 2021 (in Canadian dollars)

The significant components of the Company's deferred tax assets that have not been included in the consolidated statements of financial position are as follows:

	2022	2021
	$	$
Deferred tax assets (liabilities)		
Exploration and evaluation assets	**(4,703,000)**	(4,434,000)
Property and equipment	**42,000**	(7,000)
Share issue costs	**256,000**	367,000
Asset retirement obligation	**194,000**	194,000
Non-capital losses available for future periods	**4,430,000**	3,755,000
	319,000	125,000
Unrecognized deferred tax assets	**(319,000)**	(125,000)
Net deferred tax assets	**-**	-

At December 31, 2022, a deferred tax liability of $79,000 (2021 – $nil) was recognized due to timing differences on mineral properties.

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the statements of financial position are as follows:

	2022	**Expiry Date**	2021	Expiry Date
	$	**Range**	$	Range
Temporary Differences				
Exploration and evaluation assets	**(17,456,000)**	No expiry date	(16,461,000)	No expiry date
Investment tax credit	**14,000**	2033	14,000	2033
Property and equipment	**156,000**	No expiry date	(26,000)	No expiry date
Share issue costs	**949,000**	2043 to 2046	1,358,000	2022 to 2025
Asset retirement obligation	**719,000**	No expiry date	719,000	No expiry date
Non-capital losses available for future periods	**16,775,000**	2027 to 2042	13,908,000	2028 to 2041

Tax attributes are subject to review, and potential adjustment, by tax authorities. As at December 31, 2022, the Company is obligated to incur approximately $nil (2021 – $1,164,600) in flow-through expenditures pursuant to private placements of flow-through shares.

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments consist of cash, restricted cash, marketable securities, receivables, deposits, accounts payable and accrued liabilities and lease liabilities. Cash, restricted cash and marketable securities are measured at fair value based on Level 1 of the fair value hierarchy. The fair values of receivables and accounts payable and accrued liabilities approximate their book carrying values because of the short-term nature of these instruments. The carrying value of the Company's lease liabilities is measured at the present value of the discounted future cash flows.

(a) *Credit risk* - Credit risk is the risk that a counter party to a financial instrument will fail to discharge its contractual obligations. The Company is exposed to credit risk with respect to its cash and receivables. The maximum exposure to loss arising from receivables is equal to their carrying amounts. The Company manages credit risk with respect to its cash by maintaining demand deposits with a major Canadian financial institution; however, this exposes the Company's cash to concentration of credit risk as all amounts are held at a single institution. Receivables are due from a government agency.

(b) *Liquidity risk* - Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities.

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

(d) *Interest rate risk* - Interest rate risk consists of two components:

i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk; and

ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

(e) *Foreign currency risk* - Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is not exposed to foreign currency risk as its monetary assets and liabilities are denominated in Canadian dollars.

(f) *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 or foreign currency risk. The Company monitors metal prices in determining its long-term business plans.

There were no changes in the Company's approach to managing the above risks.

18. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital that it manages as equity, consisting of common shares, stock options and warrants.

The Company is dependent upon external financings to fund activities. In order to carry out any exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

There were no changes in the Company's capital management strategy during the year ended December 31, 2022 compared to the previous period. The Company is not subject to externally imposed capital requirements.