

FITZROY MINERALS INC.
(Formerly Norseman Silver Inc.)
Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars)
For the three months ended December 31, 2023 and 2022

The accompanying unaudited interim condensed consolidated financial statements of Fitzroy Minerals Inc. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

Fitzroy Minerals Inc. (Formerly Norseman Silver Inc.)

Consolidated Statements of Financial Position

As at December 31, 2023 and September 30, 2023

	Note	December 31, 2023	September 30, 2023
ASSETS			
<i>Current Assets</i>			
Cash		\$ 576,279	\$ 221,462
Other receivables	4	4,683	11,308
		580,962	232,770
Reclamation deposits		88,600	88,600
Exploration and evaluation assets	5	1,850,285	1,844,171
Total assets		\$ 2,519,847	\$ 2,165,541
LIABILITIES			
<i>Current Liabilities</i>			
Accounts payable and accrued liabilities	8	116,730	18,185
		\$ 116,730	\$ 18,185
SHAREHOLDERS' EQUITY			
Share capital	6	37,541,985	37,541,985
Subscription receipts	11	445,373	-
Contributed surplus	6	5,499,179	5,492,361
Deficit		(41,083,420)	(40,886,990)
		2,403,117	2,147,356
		\$ 2,519,847	\$ 2,165,541
Nature of operations and going concern	1		
Events after the reporting date	11		
<i>On behalf of the Board of Directors</i>			
<u>"Merlin Marr-Johnson"</u> , Director & CEO		<u>"J. Campbell Smyth"</u> , Director & Chairman	
Merlin Marr-Johnson		J. Campbell Smyth	

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

Fitzroy Minerals Inc. (Formerly Norseman Silver Inc.)

Consolidated Statements of Loss and Comprehensive Loss

For the three months ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

	Note	For the three months ended December 31, 2023	For the three months ended December 31, 2022
General and Administrative Expenses			
Audit, accounting and legal	8	\$ 34,220	\$ 26,000
Bank charges interest and financing fees		2,737	544
Consulting fees	8	98,877	114,968
Insurance		12,500	20,522
Office and miscellaneous		-	19,072
Regulatory and transfer agent fees		20,951	20,263
Salary and wages	8	-	45,000
Investor relations		23,047	30,759
Stock-based compensation	6	6,818	
Travel		5,954	18,622
Loss from operations		205,104	295,750
Other items			
Impairment of mineral properties	5	8,205	-
Interest income		469	2,394
		8,674	2,394
Net loss and comprehensive loss for the year		\$ (196,430)	\$ (293,356)
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding		68,076,491	59,276,491

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

Fitzroy Minerals Inc. (Formerly Norseman Silver Inc.)

Consolidated Statements of Changes in Shareholders' Equity

For the three months ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

	Note	Number of Common Shares	Share Capital	Subscriptions receipts	Contributed Surplus	Deficit	Total Shareholders' Equity
Balance September 30, 2022		59,276,491	\$ 36,712,422	\$ -	\$ 5,382,755	(\$35,820,258)	\$6,274,919
Subscription receipts	6	-	-	100,000	-	-	\$100,000
Net loss for the year		-	-	-	-	(293,356)	(\$293,356)
Balance December 31, 2022		59,276,491	\$ 36,712,422	\$ 100,000	\$ 5,382,755	(\$36,113,614)	\$6,081,563
Balance September 30, 2023		68,076,491	\$ 37,541,985	\$ -	\$ 5,492,361	(\$40,886,990)	\$2,147,356
Subscription receipts	11	-	-	445,373	-	-	445,373
Stock-based compensation	6	-	-	-	6,818	-	6,818
Net loss for the year		-	-	-	-	(196,430)	(\$196,430)
Balance December 31, 2023		68,076,491	\$ 37,541,985	\$ 445,373	\$ 5,499,179	(\$41,083,420)	\$2,403,117

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

Fitzroy Minerals Inc. (Formerly Norseman Silver Inc.)

Consolidated Statements of Cash Flows

For the three months ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

	For the period ended December 31, 2023	For the year period December 31, 2022
Operating Activities		
Net loss for the year	\$ (196,430)	\$ (293,356)
Add items not affecting cash		
Impairment of mineral properties	(8,205)	-
Stock-based compensation	6,818	-
Changes in non-cash working capital		
Other receivables	6,625	21,355
Accounts payable and accrued liabilities	98,545	(258,446)
Net cash used in operating activities	(92,647)	(530,447)
Investing Activities		
Exploration and evaluation assets	2,091	(37,907)
Government mining credit	-	172,926
Net cash used in investing activities	2,091	135,019
Financing Activities		
Subscription receipts (net of costs)	445,373	100,000
Net cash provided by financing activities	445,373	100,000
Increase (Decrease) in cash	354,817	(295,428)
Cash, beginning of year	221,462	980,579
Cash, end of year	\$ 576,279	\$ 685,151

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

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

1. Nature of Operations

Fitzroy Minerals Inc. (the “Company”) was incorporated on September 25, 1985 under the laws of British Columbia, Canada and is a junior natural resource company. The common shares of the Company are listed on the TSX Venture Exchange (“TSXV”) under the symbol FTZ.V. The Company is primarily engaged in the acquisition, exploration, and development of mineral properties. All of the Company’s activities to date have been of an exploratory nature.

On February 25, 2020, the TSXV approved the Company’s name change from Gem International Resources Inc. to Norseman Capital Ltd. Then, on September 16, 2020, the TSXV approved another name change from Norseman Capital Ltd. to Norseman Silver Inc. On January 26, 2024, the TSXV approved the Company’s name change from Norseman Silver Inc. to Fitzroy Minerals Inc.

The address of the Company’s registered office and principal place of business is 309 – 2912 West Broadway, Vancouver, British Columbia, V6K 0E9.

These financial statements were authorized by the Board of Directors on February 27, 2024.

Going Concern

The Company has not yet determined whether any of its properties contain mineral deposits that are economically recoverable. The recoverability of any amounts shown as exploration and evaluation assets is dependent upon the existence of economically recoverable mineral 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 its properties.

While the Company’s consolidated financial statements have been prepared using International Financial Reporting Standards (“IFRS”) applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due, certain conditions and events indicate a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

At December 31, 2023, the company reported a working capital surplus of \$464,232 (September 30, 2023 - \$214,585) and a net loss for the period of \$196,430 (December 30, 2022 – \$293,356 loss).

The Company does not have sufficient funds available to bring its mineral properties to production, if possible, which would allow it to be self-sustaining. The Company will need additional financing to continue exploring, and if successful develop its properties to bring them to the production stage. While in the past the Company has been successful in obtaining funding from equity financings, option agreements, loans or other arrangements, there is no assurance that these initiatives will be successful in the future.

2. Basis of Presentation

a. Statement of Compliance

These condensed interim condensed interim consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim condensed interim consolidated financial

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

2. Basis of Presentation (continued)

statements should be read in conjunction with the annual audited financial statements for the year ended September 30, 2023, which have been prepared in accordance with IFRS as issued by the IASB.

The policies applied in these financial statements are based on IFRS issued and outstanding as of February 27, 2024, the date the Board of Directors approved these condensed interim consolidated financial statements.

b. Basis of Presentation

These condensed interim consolidated financial statements were prepared on an accrual basis and are based on historical costs, except for financial instruments measured at fair value.

c. Basis of Consolidation

i. Subsidiaries

In addition to the Company, the condensed interim consolidated financial statements include all subsidiaries. Subsidiaries are all corporations over which the Company is able, directly, or indirectly, to control financial and operating policies, which is the authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company. They are de-consolidated from the date that control by the Company ceases.

ii. Consolidation Principles

Assets, liabilities, revenues, and expenses of the subsidiaries are recognized in accordance with the Company's accounting policies. Intercompany transactions are eliminated at consolidation.

d. Functional and Presentation Currency

The Company's functional currency is the Canadian Dollar ("CAD"). The condensed interim consolidated financial statements are presented in CAD which is the Company's presentation currency unless otherwise noted. All amounts in these consolidated financial statements are rounded to the nearest dollar.

3. Significant Accounting Policies

The Company's significant accounting policies can be read in Note 3 to the Company's annual audited consolidated financial statements as at and for the year ended September 30, 2023.

4. Other Receivables

	December	September
	31, 2023	30, 2023
GST receivable	\$ 4,683	\$ 11,308

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

*(Expressed in Canadian Dollars)***5. Exploration and Evaluation Assets**

	Caribou	Silver Switchback	Silver Vista	New Moon	Taquetren	Total
Balance September 30, 2021	582,020	461,817	1,529,903	1,390,000	114,344	4,078,084
Option Payments - Cash	50,000	20,000	20,000	-	-	90,000
Option Payments - Shares	175,000	123,000	102,500	-	78,000	478,500
Exploration expenditures	32,489	380,563	43,965	10,093	349,254	816,364
Balance September 30, 2022	839,509	985,380	1,696,368	1,400,093	541,598	5,462,948
Option Payments - Shares	-	-	-	-	125,000	125,000
Exploration expenditures	-	48,563	1,293	-	389,181	439,037
Government mining credit	(51,117)	(17,062)	(104,747)	-	-	(172,926)
Impairment of mineral properties	-	(1,016,881)	(1,592,914)	(1,400,093)	-	(4,009,888)
Balance September 30, 2023	788,392	-	-	-	1,055,779	1,844,171
Exploration expenditures	-	-	-	-	6,114	6,114
Balance December 31, 2023	788,392	-	-	-	1,061,893	1,850,285

Caribou Property

On June 3, 2020, the Company entered into an option agreement with Cloudbreak Discovery (Canada) Ltd. (“Cloudbreak”), a company with a common officer, to acquire a 100% interest in certain mining claims located in the Skeena Mining Division area in British Columbia, known as the Caribou Property.

Pursuant to the Option Agreement, in order to fully exercise the option (the “Option”), the Company shall pay Cloudbreak an aggregate of \$80,000 (paid) and issue 2,750,000 (issued) common shares of the Company in three instalments.

The option agreement was fully exercised on June 2, 2022. On June 16, 2022 the Company signed a Royalty Agreement with Cloudbreak, pursuant to the option agreement, whereby the Company granted Cloudbreak a 2.0% net smelter return (“NSR”) royalty. The Company has the right to acquire one-half of the NSR (1.0%) from Cloudbreak at a price of \$1,000,000 at any time prior to the commencement of commercial production. If the Company purchases the first half of the NSR, the Company shall have the right to acquire the remaining half of the NSR (1.0%) at a price of \$4,000,000, for an aggregate of \$5,000,000.

Silver Switchback Property

On August 27, 2020, the Company entered into an option agreement with Cloudbreak to acquire a 100% interest in an underlying option agreement between Cloudbreak and 1975647 Alberta Ltd (“197 Alberta”). The underlying option agreement provides the Company with the option to acquire 100% in certain mining claims located in British Columbia, known as the Silver Switchback Property.

During the year ended September 30, 2023 the Company terminated its option to acquire a 100% interest in the Silver Switchback property, and impaired the property costs.

Silver Vista Property

On September 21, 2020, the Company entered into an option agreement with Cloudbreak to acquire a 100% interest in an underlying option agreement between Cloudbreak and 197 Alberta. The underlying option agreement provides the Company with the option to acquire 100% in certain mining claims located in British Columbia, known as the Silver Vista Property.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets (continued)

During the year ended September 30, 2023 the Company terminated its option to acquire a 100% interest in the Silver Vista property, and impaired the property costs.

New Moon Property

On December 9, 2020, the Company entered into an asset purchase agreement (the “Agreement”) with Cabox Gold Corp. (“Cabox”), 1269270 BC Ltd. (“9270 BC”), 1236686 BC Ltd. (“6686 BC”) and Samuel Hardy to acquire certain mining claims located in British Columbia, known as the New Moon Claims.

In consideration for the acquisition of the New Moon Claims, the Company shall:

- (i) Pay \$10,000 (paid) to Cabox on the effective date of the Agreement;
- (ii) Issue 2,500,000 (issued) common shares of the Company to Cabox on the closing date of the Agreement;
- (iii) Issue 600,000 (issued) common shares of the Company to 9270 BC on the closing date of the Agreement; and
- (iv) Issue 1,500,000 (issued) common shares of the Company to 6686 BC on the closing date of the Agreement.

During the year ended September 30, 2023, the Company decided to no longer pursue exploration on this property, and impaired the property costs.

Taquetren Property

On May 4, 2021, the company entered into an option agreement to acquire a 100% interest in the Taquetren Silver Project, located in the Navidad-Calcatreau mining district, Argentina.

Pursuant to the Option Agreement, in order to fully exercise the option, the Company shall:

- (i) Make payment of \$40,000 USD (paid March 3rd, 2021);
- (ii) Issue 200,000 common shares (issued May 11th, 2021);
- (iii) Issue 300,000 common shares (issued May 3rd, 2022) and incur \$70,000 USD (incurred) of exploration expenditures on the Project;
- (iv) Issue 500,000 common shares (issued, and issued an additional 500,000 common shares per the share adjustments provision of the option agreement May 3rd, 2023), and incur \$200,000 USD (incurred) of additional exploration expenditures on the Project; and
- (v) Issue 2,000,000 common shares and incur an additional \$500,000 USD of exploration expenditures on the Project on or before May 3rd, 2024.

In addition, pursuant to the Agreement, the Company shall grant to the Optionors a 2.0% NSR royalty. The Company shall retain the right to purchase at any time from the Optionors one quarter of the NSR (0.5%) for \$1,000,000 USD and a second quarter of the NSR (0.5%) for \$2,000,000 USD and 5,000,000 Common Shares.

Caballos Property

On November 23, 2023, the Company signed heads of terms to enter into an option agreement to acquire 100% of the Caballos Copper Project, located in Valparaiso region of Chile. Under the option agreement, the Company acquired the right to purchase all the project concession upon completion of (i) Stage 1: investment of USD \$1,000,000 in eligible expenses within 12 months from execution of option agreement and (ii) Stage 2: investment of USD \$4,000,000 in eligible expenses with respect to exploration activities within a 36 months period starting at the end of Stage 1. Upon exercise of the option, the Company shall pay USD \$2,000,000 to the optionor for registration of the project concessions. The Optionor shall be granted a 3% NSR Royalty on future production from

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

*(Expressed in Canadian Dollars)***5. Exploration and Evaluation Assets (continued)**

the Project Concessions. This transaction is subject to execution of a definitive option agreement and exchange approval.

6. Share Capital

a. Authorized:

Unlimited number of common shares without par value

b. Issued and Outstanding – Common Shares

	December 31, 2023	September 30, 2023
Total outstanding and issued common shares:	68,076,491	68,076,491

Date	Shares	Consideration	Details
9/30/2021	47,443,157	\$34,357,829	Balance September 30, 2021
12/23/2021	1,683,334	\$409,642	FT Private placement @ \$0.30
12/31/2021	250,000	\$75,000	FT Private placement @ \$0.30
2/3/2022	300,000	\$78,000	Taquetren Property Option Agreement
3/31/2022	7,500,000	\$1,391,451	Private placement \$0.20
5/5/2022	600,000	\$123,000	Silver Switchback Property Option Agreement
5/5/2022	500,000	\$102,500	Silver Vista Property Option Agreement
5/31/2022	1,000,000	\$175,000	Caribou Property Option Agreement
9/30/2022	59,276,491	\$36,712,422	Balance September 30, 2022
2/13/2023	7,800,000	\$704,563	Private Placement @ \$0.10
5/3/2023	500,000	\$62,500	Taquetren Property Option Agreement
5/3/2023	500,000	\$62,500	Taquetren Property Option Agreement
9/30/2023	68,076,491	37,541,985	Balance September 30, 2023
12/31/2023	68,076,491	37,541,985	Balance December 31, 2023

On February 13, 2023, the Company completed a non-brokered private placement whereby the Company issued 7,800,000 units at a price of \$0.10 per unit for gross proceeds of \$780,000. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant will be exercisable into one common share at an exercise price of \$0.25 expiring on August 13, 2024. Cash finder's fees of \$55,200 and 268,000 finder warrants have been paid in connection with the Private Placement to qualified parties. The warrants issued to the finders have an exercise price of \$0.25 for a period of 18 months from the date of issuance. The finder's warrants were ascribed a fair value of \$20,237 based on the following variables: weighted average risk-free rate – 4.16%; volatility – 115.90%; and expected life (years) – 1.5.

On March 31, 2022, the company closed a private placement whereby the company issued 7,500,000 units at a price of \$0.20 per unit for gross proceeds of \$1,500,000. Each unit is comprised of one common share and one half of one warrant. Each whole warrant will be exercisable into a common share at an exercise price of \$0.30 expiring on March 31, 2023. Cash finder's fees of \$106,800 and 36,000 finder's warrants have been paid in connection with the Private Placement to qualified parties. The warrants issued to the finders have an exercise price of \$0.30 for a period

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

*(Expressed in Canadian Dollars)***6. Share Capital (continued)**

of 1 year from the date of issuance. The finder's warrants were ascribed a fair value of \$1,749 based on the following variables: weighted average risk-free rate – 2.17%; volatility – 100%; and expected life (years) – 1.

On December 31, 2021, the Company closed a private placement whereby the company issued 1,933,334 units at a price of \$0.30 per unit for gross proceeds of \$580,000. Each unit is comprised of one flow-through common share and one-half of one common share purchase warrant. Each whole warrant entitles the subscriber to purchase one

additional common share of the Company at a price of \$0.34 per share for a period of two years from the closing date. Cash finder's fees of \$31,780 and 100,333 finder's warrants have been paid in connection with the Private Placement to qualified parties. The warrants issued to the finders have an exercise price of \$0.30 for a period of 2 years from the date of issuance. The finder's warrants were ascribed a fair value of \$15,245 based on the following variables: weighted average risk-free rate – 0.91%; volatility – 100%; and expected life (years) – 2.

c. Share purchase warrants

Share purchase warrant activities for the period ended December 31, 2023 and year ended September 30, 2022 were as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining in Years
Balance September 30, 2022	16,592,488	\$0.34	0.59
Issued			
2023-02-13	4,168,000	\$0.25	0.87
Expired			
2023-03-31	(3,786,000)	\$0.30	-
2023-08-19	(4,771,488)	\$0.43	-
2023-07-14	(6,968,000)	\$0.30	-
Balance September 30, 2023	5,235,000	\$0.27	0.74
Issued			
-	-	-	-
Expired			
2023-12-23	(966,667)	\$0.34	-
2023-12-23	(100,333)	\$0.30	-
Balance December 31, 2023	4,168,000	\$0.21	0.67

d. Stock Options

On November 6, 2023, the Company granted 100,000 stock options to purchase common shares of the company at a price of \$0.15 per share for a period of 5 years to a certain consultant of the company.

On September 25, 2023, the Company granted 2,350,000 stock options to purchase common shares of the company at a price of \$0.12 per share for a period of 5 years to certain consultants, directors, and employees of the company.

On April 5, 2022, the Company granted 900,000 stock options to purchase common shares of the company at a price of \$0.20 per share for a period of 5 years to certain consultants, directors, and employees of the company.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

6. Share Capital (continued)

The following variables were used to calculate stock-based compensation:

	Apr 5, 2022	Sept 25, 2023	Nov 6, 2023
weighted average risk-free interest rate	2.28%	4.35%	3.94%
dividend yield of	0.00%	0.00%	0.00%
volatility rate	111%	121%	134%
expected life (years)	5	5	5

A summary of the status of the stock options outstanding under the Company's stock option plan as at December 31, 2023, is as follows:

	Number of Options Granted	Number of Options Exercised	Number of Options Expired	Number of Options Remaining	Weighted Average Exercise Price	Weighted average remaining contractual life
Granted 09/02/2020	400,000	100,000	-	300,000	0.25	1.68
Granted 11/18/2020	125,000	-	-	125,000	0.25	1.88
Granted 02/09/2021	3,075,000	-	800,000	2,275,000	0.20	2.11
Granted 06/16/2021	500,000	-	300,000	200,000	0.20	2.46
Granted 09/03/2021	700,000	-	100,000	600,000	0.20	2.68
Granted 04/05/2022	900,000	-	150,000	750,000	0.20	3.27
Granted 09/25/2023	2,350,000	-	-	2,350,000	0.12	4.73
Granted 11/06/2023	100,000	-	-	100,000	0.15	4.85
Outstanding December 31, 2023	8,150,000	100,000	1,350,000	6,700,000	\$0.17	3.24

As at December 31, 2023, the exercise prices for options outstanding under the Company's stock option plan range from \$0.12 to \$0.25, and the weighted average remaining contractual life for stock options under the Company's stock option plan is 3.24 years.

7. Financial Instruments and Risk Management

The Company's financial instruments include cash and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. Cash is the only financial asset that is measured at fair value subsequent to initial recognition, which is measured based on level 1 input of the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit Risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's cash is held in a major Canadian financial institution which is considered to have high credibility. Management believes that the Company has no significant credit risk.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

7. Financial Instruments and Risk Management (continued)

b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting its financial obligations associated with its financial liabilities as they fall due. The Company's objective is to ensure that there are sufficient committed financial resources to meet its short-term business requirements for a minimum of twelve months. The Company has a planning and budgeting process in place to determine the funds required to support its ongoing operations and capital expenditures.

As of December 31, 2023, the Company has sufficient cash on hand to meet current liabilities and its expected administrative requirements for the coming year. The company had cash and total liabilities as follows:

	<u>December 31, 2023</u>	<u>September 30, 2023</u>
Cash	\$ 576,279	\$ 221,462
Liabilities	\$ 116,730	\$ 18,185

To execute its planned exploration program for the next twelve months, the Company will need to raise additional funds through the issuance of equity or debt instruments or the sale of assets. The Company ensures that sufficient funds are raised from private placements to meet its operating requirements, after taking into account existing cash and cash equivalents, and expected exercise of stock options and share purchase warrants.

c) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency, and other price risks.

i. 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. The Company has a cash balance and periodically short-term investments. Due to the short-term nature of these financial instruments, management believes that risks related to interest rates are not significant to the Company at this time.

ii. Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to minimal foreign currency risk at this time.

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Notes to the Consolidated Financial Statements

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(Expressed in Canadian Dollars)

8. Related Party Transactions

The following is a summary of related party transactions with key management personnel that occurred during the period ended December 31, 2023 and 2022, and amounts in accounts payable and accrued liabilities at December 31, 2023 and 2022:

	For the period ended Dec 31, 2023	For the period ended Dec 31, 2022	Amount payable as at December 31, 2023	Amount payable as at September 30, 2023
Consulting Fees - Directors & Officers	75,000	82,500	26,500	-
Accounting and Management Services	33,000	33,000	3,750	-
VP Exploration Services	22,500	45,000	-	-

The above transactions with related parties, occurring in the normal course of operations, were measured at the fair value, are unsecured with no specific terms of repayment and are non-interest bearing; unless otherwise stated.

9. Supplementary Cash Flow Information

The following non-cash investing activities were excluded from the consolidated statements of cash flows:

- At December 31, 2023, the Company had \$Nil (2022 - \$Nil) in accounts payable and accrued liabilities related to exploration and evaluation assets.

10. Capital Disclosures

The Company's objectives when managing capital are to raise the necessary equity financing to fund its exploration projects and to manage the equity funds raised which best optimizes its exploration programs and the interests of its equity shareholders at an acceptable risk.

In the management of capital, the Company includes the components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may raise additional equity funds and acquire new exploration properties as circumstances dictate.

There were no changes in the Company's approach to capital management during the three months ended December 31, 2023. The Company is not subject to externally imposed capital requirements.

11. Events After the Reporting Date

(a) On January 9, 2024, the Company completed a non-brokered private placement for 12,365,000 units of the Company (the "Units") priced at \$0.10 per unit, for gross proceeds of \$1,236,500. Each unit consists of one common share in the capital of the company and one-half of common share purchase warrant, with each warrant entitling the holder thereof to acquire one common share for a period of two years at an exercise price of \$0.15 per share. Cash finder's fees \$79,600 and 796,000 finder warrants have been paid in connection with the private placement. As at December 31, 2023, the Company held \$445,373 (net of costs) subscription receipts from this financing.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Consolidated Financial Statements

For the period ended December 31, 2023 and 2022

(Expressed in Canadian Dollars)

11. Events After the Reporting Date (continued)

(b) On January 15, 2023, the Company granted stock options to certain consultants and directors to acquire 1,344,149 common shares of the Company, at an exercise price of \$0.15 expiring on January 15, 2029.

(c) On February 6, 2024, the Company signed heads of terms to enter into an option agreement to acquire 100% of the Polimet Gold-Copper-Silver Project, located in Valparaiso region of Chile. Under the option agreement, the Company acquired the right to purchase all the project concession upon completion of (i) a cash payment of \$80,000 USD on signing of the agreement (ii) a cash payment of \$80,000 USD on the first anniversary (iii) incur exploration expenditures of \$2,250,000 USD over a three-year period with no consecutive month period seeing less than \$500,000 USD of exploration expenses. Upon exercise of the option, the Company shall pay USD \$1,200,000 in year four to the optionor for registration of the project concessions. The Optionor shall be granted a 2% NSR Royalty on future production from the project of which the Company can repurchase 1% for a \$3,000,000 USD cash payment. This transaction is subject to execution of a definitive option agreement and exchange approval.