

FITZROY MINERALS INC.
(Formerly Norseman Silver Inc.)
Condensed Interim Consolidated Financial Statements
(Expressed in Canadian Dollars)
For the six months ended March 31, 2024 and 2023

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.)

Interim Condensed Consolidated Statements of Financial Position

As at March 31, 2024 and September 30, 2023

(Unaudited and Expressed in Canadian Dollars)

	Note	March 31, 2024	September 30, 2023
ASSETS			
<i>Current Assets</i>			
Cash and cash equivalents		\$ 1,746,291	\$ 221,462
Other receivables	4	86,761	11,308
		1,833,052	232,770
Reclamation deposits		88,600	88,600
Exploration and evaluation assets	5	2,025,605	1,844,171
Total assets		\$ 3,947,257	\$ 2,165,541
LIABILITIES			
<i>Current Liabilities</i>			
Accounts payable and accrued liabilities	8	77,924	18,185
		\$ 77,924	\$ 18,185
SHAREHOLDERS' EQUITY			
Share capital	6	39,620,411	37,541,985
Contributed surplus	6	5,790,911	5,492,361
Deficit		(41,541,989)	(40,886,990)
		3,869,333	2,147,356
		\$ 3,947,257	\$ 2,165,541

Nature of operations and going concern 1**Events after the reporting date** 11*On behalf of the Board of Directors*

"Merlin Marr-Johnson" , Director & CEO
Merlin Marr-Johnson

"J. Campbell Smyth" , Director & Chairman
J. Campbell Smyth

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

Fitzroy Minerals Inc. (Formerly Norseman Silver Inc.)

Interim Condensed Consolidated Statements of Loss and Comprehensive Loss

For the six months ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

	Note	For the three months ended March 31, 2024	For the three months ended March 31, 2023	For the six months ended March 31, 2024	For the six months ended March 31, 2023
General and Administrative Expenses					
Audit, accounting and legal	8	\$ 57,031	\$ 38,835	\$ 91,251	\$ 75,835
Bank charges interest and financing fees		1,185	1,115	3,922	1,659
Consulting fees	8	190,544	86,612	289,421	190,580
Insurance		1,652	4,669	14,152	23,513
Office and miscellaneous		4,597	5,379	4,597	24,451
Regulatory and transfer agent fees		29,637	14,623	50,588	34,284
Salary and wages	8	6,413	51,844	6,413	96,844
Investor relations		3,933	3,551	26,980	5,739
Stock-based compensation	6	148,755	-	155,573	-
Marketing and promotion		-	78,754	-	107,326
Travel		29,869	49,340	35,823	67,961
Loss from operations		473,616	334,722	678,720	628,192
Other items					
Recovery (Impairment) of mineral properties	5	-	(4,087,837)	8,205	(4,087,837)
Interest income		15,047	14,367	15,516	16,761
		15,047	(4,073,470)	23,721	(4,071,076)
Net loss and comprehensive loss for the year		\$ (458,569)	\$ (4,408,192)	\$ (654,999)	\$ (4,699,268)
Basic and diluted loss per share		\$ (0.01)	\$ (0.07)	\$ (0.01)	\$ (0.08)
Weighted average number of common shares outstanding		79,469,221	63,263,158	73,741,728	61,247,920

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

Fitzroy Minerals Inc. (Formerly Norseman Silver Inc.)

Interim Condensed Consolidated Statements of Changes in Shareholders' Equity

For the six months ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

	Note	Number of Common Shares	Share Capital	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
Shares issued - private placement	6	7,800,000	753,200	-	-	753,200
Net loss for the period		-	-	-	(4,699,268)	(4,699,268)
Balance March 31, 2023		67,076,491	37,465,622	5,382,755	(40,519,526)	2,328,851
Balance September 30, 2023		68,076,491	37,541,985	5,492,361	(40,886,990)	2,147,356
Share issued - private placement	6	19,967,803	2,376,920	-	-	2,376,920
Share issuance costs		-	(298,494)	142,977	-	(155,517)
Stock-based compensation	6	-	-	155,573	-	155,573
Net loss for the period		-	-	-	(654,999)	(654,999)
Balance March 31, 2024		88,044,294	39,620,411	5,790,911	(41,541,989)	3,869,333

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

Fitzroy Minerals Inc. (Formerly Norseman Silver Inc.)

Interim Condensed Consolidated Statements of Cash Flows

For the six months ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

	For the six months period ended March 31, 2024	For the six months period ended March 31, 2023
Operating Activities		
Net loss for the year	\$ (654,999)	\$ (4,699,268)
Add items not affecting cash		
Impairment (Recovery) of mineral properties	(8,205)	4,087,837
Stock-based compensation	155,573	-
Changes in non-cash working capital		
Other receivables	(75,453)	15,686
Accounts payable and accrued liabilities	38,981	(231,030)
Net cash used in operating activities	(544,103)	(826,775)
Investing Activities		
Exploration and evaluation assets	(152,471)	(233,869)
Net cash used in investing activities	(152,471)	(233,869)
Financing Activities		
Shares issued - private placement	2,376,920	753,400
Share issuance costs	(155,517)	-
Net cash provided by financing activities	2,221,403	753,400
Increase (Decrease) in cash and cash equivalents	1,524,829	(307,244)
Cash and cash equivalents, beginning of year	221,462	980,579
Cash and cash equivalents, end of year	\$ 1,746,291	\$ 673,335
Cash and cash equivalents comprise:		
Cash	\$ 1,073,295	\$ 673,335
Cash equivalents	672,996	-
	\$ 1,746,291	\$ 673,335

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

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

1. Nature of Operations

Fitzroy Minerals Inc. (the “Company”), formerly known as Norseman Silver Inc., 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 (the “TSXV”) under the symbol “FTZ”. 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 head office and principal address of the Company are located at Suite 2250, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The registered and records office are located at Suite 910, 800 West Pender Street, Vancouver, British Columbia, V6C 2V6.

These financial statements were authorized by the Board of Directors on May 8, 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 March 31, 2024, the company reported a working capital surplus of \$1,755,128 (September 30, 2023 - \$214,585) and a net loss for the period of \$654,999 (March 31, 2023 – \$4,699,268 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 interim condensed 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 interim condensed consolidated financial statements should be read in conjunction with the annual audited

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

2. Basis of Presentation (continued)

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 May 8, 2024, the date the Board of Directors approved these interim condensed consolidated financial statements.

b. Basis of Presentation

These interim condensed 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 interim condensed 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 interim condensed 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

	March 31, 2024	September 30, 2023
GST receivable	\$ 8,195	\$ 11,308
Government mining credit receivable	\$ 3,143	\$ -
Interest receivable	\$ 7,673	\$ -
Other receivable	\$ 67,750	\$ -
	\$ 86,761	\$ 11,308

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets

	Caribou	Silver Switchback	Silver Vista	New Moon	Taquetren	Caballos	Polimet	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	-	-	-	-	145,006	29,183	10,379	184,568
Government mining credit	(3,134)	-	-	-	-	-	-	(3,134)
Balance March 31, 2024	785,258	-	-	-	1,200,785	29,183	10,379	2,025,605

Caribou Property

On June 3, 2020, the Company entered into an option agreement (the “Caribou 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 Caribou Option Agreement, in order to fully exercise the option (the “Caribou 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 Caribou Option Agreement was fully exercised on June 2, 2022. On June 16, 2022 the Company signed a royalty agreement with Cloudbreak, pursuant to the Caribou 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 Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

(Unaudited and 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 “New Moon 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 New Moon Agreement;
- (ii) Issue 2,500,000 (issued) common shares of the Company to Cabox on the closing date of the New Moon Agreement;
- (iii) Issue 600,000 (issued) common shares of the Company to 9270 BC on the closing date of the New Moon Agreement; and
- (iv) Issue 1,500,000 (issued) common shares of the Company to 6686 BC on the closing date of the New Moon Agreement.

During the year ended September 30, 2023, the Company decided not to pursue exploration on this property, and impaired the property costs.

Taquetren Property

On May 4, 2021, the Company entered into an option agreement (the “Taquetren Option Agreement”) to acquire a 100% interest in the Taquetren Silver Project, located in the Navidad-Calcatreau mining district, Argentina.

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

- (i) Make payment of USD\$40,000 (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 USD\$70,000 (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 USD\$200,000 (incurred) of additional exploration expenditures on the Taquetren Silver Project; and
- (v) Issue 2,000,000 common shares and incur an additional USD\$500,000 of exploration expenditures on the Project on or before May 3rd, 2024.

In addition, pursuant to the Taquetren Option 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 USD\$1,000,000 and a second quarter of the NSR (0.5%) for USD\$2,000,000 and 5,000,000 Common Shares.

Subsequent to the period ended March 31, 2024, the Company signed an amendment to the Taquetren Option Agreement on May 2, 2024 to change the due date for the issuance of 2,000,000 common shares and exploration expenditure of additional USD\$500,000 from May 3, 2024 to July 4th, 2024.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

5. Exploration and Evaluation Assets (continued)

Caballos Property

On November 23, 2023, the Company signed heads of agreement to pursue a mining option agreement (the “Caballos Option Agreement”) aiming at acquiring a 100% interest in and to the Caballos copper project concessions (the “Caballos Mining Concessions”), situated in Valparaiso region of Chile. It is intended that, under the terms of the Caballos Option Agreement, the Company, through its wholly-owned subsidiary to be formed in Chile, shall be granted the option (the “Caballos Option”) to acquire the Caballos Mining Concessions upon completion of the following 3-stage conditions:

- (i) Stage 1: to incur USD\$1,000,000 in eligible expenses pertaining to exploration operations within 12 months from the execution of the Caballos Option Agreement.
- (ii) Stage 2: to incur USD\$4,000,000 in eligible expenses pertaining to exploration operations within a 36 months period commencing from the conclusion of Stage 1. Notably, no consecutive twelve-month period should witness less than USD\$500,000 of exploration expenses.
- (iii) Stage 3: to integrate all the new and existing data pertaining to the exploration operations conducted by the Company into a comprehensive technical report.

The Company shall have the right to exercise the Caballos Option pursuant to the Caballos Option Agreement upon the completion of Stage 1, 2 and 3, with a minimum aggregate amount of USD\$5,000,000 eligible expenses incurred, up to a duration of 60 months from the date of signing the Caballos Option Agreement. Upon exercise of the Caballos Option, the Company shall pay USD\$2,000,000 to the optionor for registration of the Caballos Mining Concessions. The optionor shall be granted a 3% NSR Royalty on future production from the Caballos Mining Concessions. The Company shall be granted the right to buy back 1.5% NSR Royalty by making a cash payment of USD\$7,500,000.

This transaction is subject to signing the Caballos Option Agreement and all ancillary transaction documents, as well as obtaining applicable regulatory approval.

Polimet Property

On February 6, 2024, the Company signed heads of agreement, subsequently amended (the “Polimet HOA Amendment”) on March 27, 2024, to pursue a mining option agreement (the “Polimet Option Agreement”) with the objective to acquire a 100% interest in and to the Polimet gold-copper project concessions (the “Polimet Mining Concessions”), located in Valparaiso region of Chile. It is intended that, under the terms of the Polimet Option Agreement, the Company, through its wholly-owned subsidiary to be formed in Chile, shall be granted the option (the “Polimet Option”) to acquire the Polimet Mining Concessions upon completion of:

- (i) The Company made an advancement of USD\$50,000, equivalent to \$67,750 (note 4) upon signing the Polimet HOA Amendment. It was acknowledged by the Company and the optionor that, if the Polimet Option Agreement is not executed by May 4th, 2024, the optionor shall promptly execute a debt recognition by public deed. Conversely, if the Polimet Option Agreement is executed on or before May 4th, 2024, the Company shall acknowledge that there is no debt due from the optionor.
- (ii) The Company shall make a cash payment of USD\$30,000 upon signing the Polimet Option Agreement and all ancillary transaction documents.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

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

(iii) The Company shall make a cash payment of USD\$80,000 on the first anniversary from the signing date of the Polimet Option Agreement.

(iv) The Company is required to incur eligible expenses totaling a minimum amount of USD\$2,250,000 pertaining to exploration operations over a 36-month period, commencing from the signing date of the Polimet Option Agreement. Notably, no consecutive twelve-month period should witness less than USD\$500,000 of exploration expenses.

The Company shall have the right to exercise the Polimet Option pursuant to the Polimet Option Agreement upon the completion of the aforementioned conditions, with a minimum aggregate amount of USD\$2,250,000 eligible expenses incurred, within a duration of 48 months from the date of signing the Polimet Option Agreement. Upon exercising the Polimet Option, the Company shall pay USD\$1,200,000 to the optionor for registration of the Polimet Mining Concessions. The optionor shall be granted a 2% NSR Royalty on future production from the Polimet Mining Concessions. The Company shall retain the right to buy back 1% NSR Royalty by making a cash payment of USD\$3,000,000.

This transaction is subject to signing the Polimet Option Agreement and all ancillary transaction documents, as well as obtaining applicable regulatory approval.

6. Share Capital

a. Authorized:

Unlimited number of common shares without par value

b. Issued and Outstanding – Common Shares

	March 31, 2024	September 30, 2023
Total outstanding and issued common shares:	88,044,294	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
1/9/2024	12,365,000	\$1,074,473	Private Placement @ \$0.10
3/28/2024	7,602,803	\$1,003,953	Private Placement @ \$0.15
3/31/2024	88,044,294	\$39,620,411	Balance March 31, 2024

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

(Unaudited and Expressed in Canadian Dollars)

6. Share Capital (continued)

On March 28, 2024, the Company completed a non-brokered private placement whereby the Company issued 7,602,803 units at a price of \$0.15 per unit for gross proceeds of \$1,140,420. 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 March 28, 2026. Cash finder's fees of \$75,918 and 506,116 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 24 months from the date of issuance. The finder's warrants were ascribed a fair value of \$60,551 based on the following variables: weighted average risk-free rate – 4.20%; volatility – 141.27%; and expected life (years) – 2.

On January 9, 2024, the Company completed a non-brokered private placement whereby the Company issued 12,365,000 units at a price of \$0.10 per unit for gross proceeds of \$1,236,500. 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 \$0.15 expiring on January 9, 2026. Cash finder's fees of \$79,600 and 796,000 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 \$0.15 for a period of 24 months from the date of issuance. The finder's warrants were ascribed a fair value of \$82,426 based on the following variables: weighted average risk-free rate – 4.04%; volatility – 139.93%; and expected life (years) – 2.

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 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.

Fitzroy Minerals Inc. (formerly Norseman Silver Inc.)

Notes to the Interim Condensed Consolidated Financial Statements

For the period ended March 31, 2024 and 2023

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

c. Share purchase warrants

Share purchase warrant activities for the period ended March 31, 2024 and year ended September 30, 2023 were as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining in Years
Balance September 30, 2021	12,739,487	\$0.35	0.52
Issued			
2021-12-31	966,667	\$0.34	1.25
2021-12-31	100,333	\$0.30	1.25
2022-03-31	3,750,000	\$0.30	0.50
2022-03-31	36,000	\$0.30	0.50
Expired			
	(999,999)	\$0.25	-
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			
2024-01-09	6,978,500	\$0.15	1.78
2024-03-28	4,307,514	\$0.25	1.99
Expired			
2023-12-23	(966,667)	\$0.34	-
2023-12-23	(100,333)	\$0.30	-
Balance March 31, 2024	15,454,014	\$0.20	1.46

d. Stock Options

On January 15, 2024, the Company granted 1,344,149 stock options to purchase common shares of the company at a price of \$0.15 per share for a period of 5 years to certain consultants, directors, and officers of the company.

On November 6, 2023, the Company granted 100,000 stock options to purchase common shares of the company at a price of \$0.12 per share for a period of 5 years to a 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, officers 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, officers and employees of the company.

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

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6. Share Capital (continued)

d. Stock Options (continued)

	Apr 5, 2022	Sept 25, 2023	Nov 6, 2023	Jan 15, 2024
weighted average risk-free interest rate	2.28%	4.35%	3.94%	3.34%
dividend yield of	0.00%	0.00%	0.00%	0.00%
volatility rate	111%	121%	134%	129%
expected life (years)	5	5	5	5

A summary of the status of the stock options outstanding under the Company's stock option plan as at March 31, 2024, 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	1.42
Granted 11/18/2020	125,000	-	-	125,000	0.25	1.64
Granted 02/09/2021	3,075,000	-	(800,000)	2,275,000	0.20	1.86
Granted 06/16/2021	500,000	-	(300,000)	200,000	0.20	2.21
Granted 09/03/2021	700,000	-	(100,000)	600,000	0.20	2.43
Granted 04/05/2022	900,000	-	(150,000)	750,000	0.20	3.01
Granted 09/25/2023	2,350,000	-	-	2,350,000	0.12	4.49
Granted 11/06/2023	100,000	-	-	100,000	0.12	4.61
Granted 01/15/2024	1,344,149	-	-	1,344,149	0.15	4.80
Outstanding March 31, 2024	9,494,149	(100,000)	(1,350,000)	8,044,149	\$0.17	3.29

As at March 31, 2024, 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 3.29 years.

7. Financial Instruments and Risk Management

The Company's financial instruments include cash and cash equivalents and accounts payable and accrued liabilities. The carrying values of these financial instruments approximate their fair value due to their short-term maturity. Cash and cash equivalents 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 and cash equivalents 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.

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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 March 31, 2024, the Company has sufficient cash and cash equivalents on hand to meet current liabilities and its expected administrative requirements for the coming year. The company had cash and cash equivalents and total liabilities as follows:

		<u>March 31, 2024</u>		<u>September 30, 2023</u>
Cash and cash equivalents	\$	1,746,291	\$	221,462
Liabilities	\$	77,924	\$	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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8. Related Party Transactions

The following is a summary of related party transactions with key management personnel that occurred during the period ended March 31, 2024 and 2023, and amounts in accounts payable and accrued liabilities at March 31, 2024 and 2023:

	For the period ended March 31, 2024	For the period ended March 31, 2023	Amount payable as at March 31, 2024	Amount payable as at September 30, 2023
Consulting Fees - Directors & Officers	165,000	165,000	15,750	-
Accounting and Management Services	80,500	66,000	-	10,365
VP Exploration Services	45,000	90,000	-	-
Stock based compensation	82,354	-	-	-

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 March 31, 2024, the Company had \$20,758 (March 31, 2023 - \$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 six months ended March 31, 2024. The Company is not subject to externally imposed capital requirements.

11. Events After the Reporting Date

On April 10, 2024, the Company granted stock options to a consultant and a director to acquire 600,000 common shares of the Company, at an exercise price of \$0.20 expiring on April 10, 2029.

On May 2, 2024, the Company signed an amendment to the Taquetren Option Agreement, changing the due date for the issuance of 2,000,000 common shares and an additional exploration expenditure of USD\$500,000 from May 3, 2024 to July 4, 2024.