

TOMBILL MINES LIMITED

Consolidated Financial Statements

For the year ended October 31, 2023, and 2022

(Expressed in Canadian Dollars)

TOMBILL MINES LIMITED

Index	Page
Auditors Report	1
Consolidated Financial Statements	
Consolidated Statements of Financial Position	5
Consolidated Statements of Loss and Comprehensive Loss	6
Consolidated Statement of Changes in Equity (Deficit)	7
Consolidated Statements of Cash Flows	8
Notes to the Consolidated Financial Statements	9-23

Independent Auditor's Report

To the Shareholders of Tombill Mines Ltd

Opinion

We have audited the consolidated financial statements of Tombill Mines Ltd and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at October 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity (deficit) and consolidated statements of cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at October 31, 2023 and 2022, and its consolidated financial performance and its consolidated 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. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended October 31, 2023 and, as of that date, the Company had limited working capital. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that 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 judgement, were of most significance in our audit of the consolidated financial statements of the current period. 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.

Except for the matter described in Material uncertainty related to going concern section, we have determined that there were no additional key audit matters to communicate in our report.

Other information

Management is responsible for the other information. The other information comprises 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 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 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 judgement 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 risks 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.

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 of the audit resulting in this independent auditor's report is Chris Milios.

McGovern Hurley LLP



**Chartered Professional Accountants
Licensed Public Accountants**

Toronto, Ontario
February 13, 2024

TOMBILL MINES LIMITED

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	October 31, 2023		October 31, 2022
Assets				
Current assets:				
Cash and cash equivalents		\$	274,543	\$ 503,258
Receivables	5		4,022	13,590
Prepaid expenses			15,569	15,011
			294,134	531,859
Other assets:				
Equipment			3,774	9,386
		\$	297,908	\$ 541,245
Liabilities and Shareholders' Equity (Deficit)				
Current liabilities:				
Trade payables and accrued liabilities	6	\$	287,512	\$ 311,348
			287,512	311,348
Shareholders' Equity (Deficit):				
Share capital	9	\$	12,791,967	\$ 12,783,517
Reserve	9(f)		917,880	942,857
Deficit			(13,699,449)	(13,496,477)
			10,398	229,897
		\$	297,908	\$ 541,245

Nature and continuance of operations (Note 1)

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

Tombill Mine Limited

Consolidated Statements of Loss and Comprehensive loss
(Expressed in Canadian Dollars)

		Year ended October 31,	
	Note	2023	2022
Expenses:			
Exploration		\$ 100	\$ 1,562,585
Administrative fees		5,714	63,648
Consulting	10	217,918	699,766
Depreciation		5,609	22,338
Marketing		6,398	54,797
Office and miscellaneous		93,594	52,772
Professional fees		53,497	201,624
Property tax		62,811	62,096
Regulatory and transfer agent fees		16,344	54,878
Insurance		24,348	46,550
Share-based compensation	9(d)	157,781	124,479
		(644,114)	(2,945,533)
LOSS BEFORE OTHER ITEMS		(644,114)	(2,945,533)
Other Items:			
Interest income		5	4,828
Other income (expense)		8,750	(8,833)
Listing expense		(5,028)	(12,433)
Recovery of Expenses	4	254,657	-
		258,384	(16,438)
LOSS BEFORE INCOME TAXES		(385,730)	(2,961,971)
Deferred income tax recovery	7	-	271,666
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		\$ (385,730)	\$ (2,690,305)
Loss per common share			
- basic and diluted		\$ (0.002)	\$ (0.017)
Weighted average number of common shares outstanding			
- basic and diluted		172,943,452	169,737,938

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

Tombill Mine Limited

Consolidated Statements of Changes in Equity (Deficit)
(Expressed in Canadian Dollars)

	Note	Share capital			Reserve	Deficit	Total Equity (Deficiency)
		Shares	Amount				
Balance, October 31, 2021		153,762,919	\$ 11,638,084	\$ 787,550	\$ (10,806,172)	\$ 1,619,462	
Private Placement shares	9(b)(e)	19,180,533	1,624,998			1,624,998	
Flowthrough premium Liability			(271,666)			(271,666)	
Share issuance costs:	9(b)					-	
- cash		-	(177,071)			(177,071)	
- broker warrants			(30,828)	30,828		-	
Share-based compensation	9(d)			124,479		124,479	
Net loss for the year					(2,690,305)	(2,690,305)	
Balance, October 31, 2022		172,943,452	\$ 12,783,517	\$ 942,857	\$ (13,496,477)	\$ 229,897	
Share issuance costs	9(b)		8,450			8,450	
Share-based compensation	9(d)			157,781		157,781	
Options/Warrants Expired				(182,758)	182,758	-	
Net loss for the period					(385,730)	(385,730)	
Balance, October 31, 2023		172,943,452	\$ 12,791,967	\$ 917,880	\$ (13,699,449)	\$ 10,398	

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

Tombill Mines Limited

Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Note	Year ended October 31,	
		2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Net and comprehensive loss for the year		\$ (385,730)	\$ (2,690,305)
Items not affecting cash:		-	
Depreciation		5,609	22,338
Share-based compensation	9(d)	157,781	124,479
Deferred income tax recovery	7	-	(271,666)
		(222,340)	(2,815,154)
Changes in non-cash working capital items:			
Receivables		9,568	646,349
Prepaid expenses		(558)	89,356
Trade payables and accrued liabilities		(23,836)	(1,170,241)
Cash used in operating activities		(237,166)	(3,249,690)
CASH FLOWS FROM INVESTING ACTIVITIES			
Disposal of equipment		-	24,333
Cash used in investing activities		-	24,333
CASH FLOWS FROM FINANCING ACTIVITIES			
Private placements		-	1,624,998
Share issuance costs - cash		8,450	(177,071)
Cash provided by financing activities		8,450	1,447,927
Change and cash equivalents:		(228,716)	(1,777,431)
at the beginning of the year		503,258	2,280,688
Cash and cash equivalents, end of year		\$ 274,543	\$ 503,258

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

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

1. Nature and continuance of operations

Tombill Mines Limited (“Tombill” or the “Company”) was incorporated under the Canada Business Corporations Act on October 19, 2018, the Company was continued into British Columbia.

On September 9, 2022, the Company was authorized to continue under the laws of the Province of Ontario. The head office and registered office of the Company is 1 Dundas St W, Suite 2500, Toronto, ON, M5G 1Z3.

On December 9, 2020, the Company completed a reverse takeover (“RTO”) transaction (the “Transaction”) with Bluerock Ventures Corp.

Tombill Mines’ primary business is mineral exploration, primarily gold.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties; these procedures do not guarantee the Company’s title. Property title may be subject to unregistered prior agreements, social licensing requirements and non-compliance with regulatory requirements. The Company’s assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

These consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As of October 31, 2023, the Company had not yet achieved profitable operations, had accumulated losses of \$13,699,449 (2022 - \$13,496,477) since its inception and expects to incur further losses in the development of its business, all which casts significant doubt about the Company’s ability to continue as a going concern. The Company’s continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

2. Statement of compliance and significant accounting policies

a) *Statement of compliance with IFRS*

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

These consolidated financial statements were authorized for issue on February 13th 2024 by the directors of the Company.

b) *Basis of presentation*

These consolidated financial statements of the Company have been prepared on an accrual basis except for certain cash flow information and are based on historical costs. The consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiary unless otherwise noted.

These consolidated financial statements include the financial statements of the Company and its wholly owned subsidiary, Tombill Exploration Ltd. All intercompany balances and transaction were eliminated upon consolidation. Subsidiaries are all entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns from its involvement with the entity. Subsidiaries are fully consolidated from the date on which control is obtained. They are deconsolidated from the date that control ceases.

c) *Functional and Presentation Currency*

The functional currency of the Company and its’ subsidiary is the Canadian dollar as this is the principal currency of the economic environment in which it operates. Judgment is required to determine the functional currency of the Company. These judgments are continuously evaluated and are based on management’s experience and knowledge of the relevant facts and circumstances.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies

a) Significant accounting judgments, estimates and assumptions.

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions concerning the future. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

i) Going concern (See Note 1)

ii) Income taxes and recoverability of potential deferred tax assets

In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction.

The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

iii) Existence of Decommissioning and Restoration Costs and the Timing of Expenditure

Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

iv) Share Based Payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies (cont'd)

b) Foreign currency translation

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items or on settlement of monetary items are recognized in profit or loss in the statement of loss the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognized in other comprehensive income in the statement of comprehensive income to the extent that gains and losses arising on those non-monetary items are also recognized in other comprehensive income. Where the nonmonetary gain or loss is recognized in profit or loss, the exchange component is also recognized in profit or loss.

c) Share Based Payments

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of 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 corresponding amount is recorded to reserves. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. The grant date fair value of options that expire without being exercised is transferred to deficit.

d) Cash and cash equivalents

Cash and cash equivalents in the consolidated statements of financial position comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a known amount of cash.

e) Equipment

Equipment is recorded at cost less accumulated depreciation and impairment charges. Such cost consists of the purchase price, any costs directly attributable to bringing the equipment to the location and condition necessary for its intended use. Depreciation of equipment is calculated over the estimated useful lives. Computer equipment is amortized on straight line basis over 36 months.

f) Exploration and evaluation expenses

Cost of exploration properties, including the cost of acquiring prospective properties and exploration rights, and exploration and evaluation costs are expensed until it has been established that a mineral property is commercially viable.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies (cont'd)

g) Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive loss ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss and comprehensive loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive loss.

Equity instruments designated as FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income ("OCI"). Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination. Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in OCI. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity instrument.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the consolidated statements of comprehensive loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies (cont'd)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of loss.

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of loss.

h) Provisions

The Company recognizes provisions when a legal or constructive obligation exists as a result of past events, when it is probable that there will be an outflow of economic benefits from the entity, and a reliable estimate of the amount of the obligation can be made. When a provision is expected to settle beyond the immediate term, the provision is measured at the present value of future cash flows, discounted at prevailing market interest rates. With the passage of time, additional expenses are recorded as the provision increases.

As of October 31, 2023, and 2022 the Company has no obligations that require provisions.

i) Impairment of assets

The carrying amount of the Company's long-lived assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such an indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of loss.

The recoverable amount is the greater of an asset's fair value, less cost to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows, largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

3. Significant accounting policies (cont'd)

j) Flow-through shares

Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. The Company accounts for flow-through shares whereby the premium, if any, paid for the flow-through share in excess of the market value of the shares without a flow-through feature at the time of issue is initially recorded to flow-through premium liability and then included in profit or loss, as a deferred income tax recovery, at the same time the qualifying expenditures are made.

k) Loss per Share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per common share is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options and warrants and assumes the receipt of proceeds upon exercise of the dilutive securities to determine the number of shares assumed to be purchased at the average market price during the year.

During the year ended October 31, 2023, and 2022, all outstanding stock options and warrants were anti-dilutive and were excluded from the calculation of diluted loss per share.

l) Changes to accounting standards

During the year ended October 30, 2023, the Company adopted a number of amendments and improvements of existing standards. These new standards and changes did not have any material impact on the Company's financial statements.

Accounting pronouncements not yet adopted.

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2023. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 and IFRS Practice Statement 2 - In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

4. Recovery of Expenses

During the year ended October 31, 2023, the Company fully release the total of 254,657 for disputed liabilities recorded in previous years. As of October 31, 2023, these disputes have been resolved in the company's favor and as a result, these amounts have been recorded as a recovery of expenses in the year ended October 31, 2023.

5. Receivables

	October 31, 2023	October 31, 2022
Government Sales Tax credits	\$ 3,182	\$ 13,590
Rent Receivables	840	-
	\$ 4,022	\$ 13,590

6. Trades payable and accrued liabilities

	October 31, 2023	October 31, 2022
Trade payables	\$ 271,784	\$ 270,619
Accrued liabilities	15,728	40,729
	\$ 287,512	\$ 311,348

7. Flow-through premium liability

The flow-through agreements require the Company to renounce certain deductions for Canadian exploration expenditures incurred on the Company's resource properties.

When the Company uses the "look-back" rule to renounce exploration expenditures to investors before the Company incurs them.

During the year ended October 31, 2022, the Company fully amortized its flow-through liability of \$271,666 after incurring \$814,998 in qualifying exploration expenditures. As of October 31, 2023 and 2022, the Company believes that all flow-through commitments have been met.

8. Exploration and evaluation expenditures

The Company has certain claims located within the amalgamated Town of Greenstone, Ontario.

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

9. Share capital

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

During the Year Ended October 31, 2023,

There was no change in the number of outstanding shares: 172,943,452.

During the Year Ended October 31, 2022, the Company completed the following transactions:

- (i) completed a private placement of 10,125,000 units at a price of \$0.08 per unit for aggregate proceeds of \$810,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share of the Company at a price of \$0.12 until December 31, 2023,

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

9. Share capital (cont'd)

(b) Share options (cont'd)

(ii) completed a flow-through private placement of 9,055,533 units at a price of \$0.09 per unit for total gross proceeds of \$814,998. Each unit consists of one flow-through common share and one-half share purchase warrant. Each whole share purchase warrant is exercisable at \$0.13 per common share until December 31, 2023, and paid a finder's fee of \$92,750 in cash and issued an aggregate of 1,080,137 share purchase warrants ("Agent's Warrants") at an exercise price of \$0.12 per common share with an expiry of December 31, 2023, to two agents (Note 10(e)) on the flow-through and non-flow-through private placements. The Company recorded a fair value of \$30,828 on the finder's warrants. The Company also incurred \$84,321 in other related share issuance costs.

(c) Escrow shares

Pursuant to an escrow agreement dated February 25, 2011, as of October 31, 2023, 117,000 (October 31, 2022 - 351,000) common shares issued are held in escrow. Under the escrow agreement, 10% of the escrowed common shares was released from escrow on December 11, 2020, and, 15% of the escrowed shares will be released every 6 months thereafter over a period of 36 months for the remaining 90% of the escrowed shares.

Pursuant to a value security escrow agreement dated December 9, 2020, as at October 31 2023, 13,982,996 (October 31, 2022 – 41,948,998) common shares issued are held in escrow. Under the escrow agreement, 10% of the escrowed common shares was released from escrow on December 11, 2020, and, 15% of the escrowed shares will be released every 6 months thereafter over a period of 36 months for the remaining 90% of the escrowed shares.

(d) Share options

The Company adopted a 10% share option plan (the "Plan") that enables the Company to grant options to directors, officers, employees and other service providers. The Company follows the policies of the TSXV where the number of common shares which may be issued pursuant to options granted under the Plan may not exceed 10% of the issued and outstanding shares of the Company from time to time at the date of granting of options. The terms of any options granted under the plan may not exceed ten years from date of grant. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price, expiry date, and the vesting conditions of the options as determined by the Board of Directors.

Share option transactions are summarized as follows:

	Options Outstanding	Weighted Average Exercise Price
Outstanding, October 31, 2021	9,773,135	\$ 0.159
Granted	1,150,000	0.072
Forfeited and expired	(3,956,009)	0.149
Outstanding, October 31, 2022	6,967,126	0.153
Granted	-	-
Forfeited and expired	(1,637,515)	0.154
Outstanding, October 31, 2023	5,329,611	0.152

During the year ended October 31, 2023:

- I. the Company granted nil (2022: 1,150,000) share options to certain directors, officers, and consultants of the Company,

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

9. Share capital (cont'd)

(d) Share options (cont'd)

- II. a total of 1,637,515 (2022: 3,956,009) share options were forfeited or expired by certain directors, officers, and consultants of the Company, and
- III. the Company recorded share-based compensation cost of \$157,781 (2022: \$124,478) (Note 9(f)).

The Company uses the Black-Scholes option pricing model to calculate the fair value of stock options granted. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

The following weighted average assumptions were used to estimate the following weighted average grant date fair values:

Year ended	October 31, 2022
Risk free interest rate	0.53%
Expected dividend yield	0%
Stock price volatility	121.40%
Weighted average expected life	3.39 years
Weighted average fair value	\$ 0.105

Share options outstanding and exercisable on October 31, 2023, are summarized as follows:

Number of Options	Exercise Price	Expiry Date	Remaining Life of Options (Years)	Number of Options Exercisable
5,000	0.120	05/11/2023	0.24	5,000
742,019	0.150	10/12/2023	0.34	742,019
60,000	0.245	19/02/2024	0.54	60,000
40,000	0.060	28/02/2024	0.56	40,000
11,250	0.180	24/05/2024	0.80	11,250
7,500	0.120	05/11/2024	1.25	7,500
1,632,441	0.150	10/12/2024	1.34	1,632,441
132,000	0.245	19/02/2025	1.54	132,000
60,000	0.060	28/02/2025	1.56	60,000
24,750	0.180	24/05/2025	1.80	24,750
16,500	0.120	05/11/2025	2.25	-
2,077,652	0.150	10/12/2025	2.34	-
168,000	0.245	19/02/2026	2.54	-
132,000	0.060	28/02/2026	2.56	-
31,500	0.180	24/05/2026	2.80	-
21,000	0.120	05/11/2026	3.25	-
168,000	0.060	28/02/2027	3.56	-
5,329,611	0.150		1.73	2,714,960

Unvested options vest over a period of one to four years.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

9. Share capital (cont'd) (e) Warrants

During the Year Ended October 31, 2022, the Company issued the following warrants:

- (i) 10,125,000 share purchase warrants at an exercise price of \$0.12 per common share until December 31, 2023 in connection to the private placement of 10,125,000 units for total gross proceeds of \$810,000
- (ii) 4,527,767 share purchase warrants at an exercise price of \$0.13 per common share until December 31, 2023 in connection to the flow-through private placement of 9,055,533 units for total gross proceeds of \$814,998
- (iii) 1,080,137 non-transferable Agents' Warrants at an exercise price of \$0.12 per common share until December 31, 2023 in connection to the flow-through and non flow-through private placements. The Company recorded a fair value of \$30,828 in reserves on the Agent's Warrants

The fair value of the agent's warrants granted was calculated using the Black-Scholes option pricing model with the following weighted average assumptions:

During the Year Ended October 31, 2023, the Company saw the below warrants expire:

- (iv) 20,866,967 share purchase warrants at an exercise price of \$0.230 per common share
- (v) 4,418,852 Agent share purchase warrants at an exercise price of \$0.150 per common share

As of October 31, 2023, the following warrants were outstanding:

	Expiry Date	Number of Warrants	Weighted Average Exercise Price	Weighted Average Remaining Life
Agent's Warrants	December 31, 2023	1,080,137	\$0.12	1.17 years
Warrants	December 31, 2023	14,652,767	\$0.12	1.17 years
		15,732,904	\$0.12	0.17 years

year ended October 31,	2022
Risk free rate	0.49%
Dividend yield	0%
Weighted average volatility	129.40%
Weighted average expected life	2 years
Weighted average fair value	\$ 0.063

(f) Reserves

	Oct 31, 2023	October 31, 2022
Options and agent warrants		
Balance	\$ 942,857	\$ 787,550
Agents' warrants (Note 9(e))	-	30,828
Options vested (Note 9(d))	157,781	300,594
Options forfeited/expired (Note 9(d))	(182,758)	(176,115)
Closing balance	\$ 917,880	\$ 942,857

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

10. Related party transactions

Key management personnel include persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Key management personnel comprise of the directors of the Company, executive and non-executive, and officers.

The remuneration of the key management personnel during the Year Ended October 31, 2023, and 2022 were as follows:

	2023	2022
Chief Executive Officer	\$ 91,043	\$ 200,201
Chief Financial Officer	58,358	197,843
Total	\$ 149,401	\$ 398,044

During the Year Ended October 31, 2023 the Company:

- (i) recognized an aggregate of \$157,781 (2022: \$124,478) in share-based compensation on the vested portion of stock options granted to directors and officers of the Company.
- (ii) paid a total of \$209,946 (2022: nil) to Cerise property limited a UK based company where the CFO is a shareholder & Director for office primarily Rent & PA services.
- (iii) Paid nil (2022: \$584,831) to Tombill Mines (UK) Limited for management services, a company owned by Adam Horne, a director and officer of the Company. This amount includes the 2022 \$398,044 in the table above.

11. Financial and capital risk management objectives and policies and fair value

The Company is exposed to various financial instrument risks and assesses the impact and likelihood of this exposure. These risks include inherent mining risk, liquidity risk, credit risk, market risk, interest rate risk, currency risk, and price risk. Where material, these risks are reviewed and monitored by the Board of Directors.

a) Inherent mining risk

Mining comprises many different risk factors and those which primarily affect the commercial and financial viability of a given mineral deposit include grade, quantity, federal and provincial government regulations, taxes, environmental factors, affected communities, rehabilitation costs and obligations. This is not an exhaustive list but is indicative of the risks mining companies such as Tombill Mines Limited will require to address in the fullness of time and wherein each will have a financial impact.

Not all these risks can be covered by insurance and others which can, will include a penal level of premium. The Company does not carry political or environmental risk insurance, and should such liabilities arise, this could negatively impact on operating costs and a decline in the value of the Company's securities.

b) Liquidity Risk

Liquidity risk arises through the excess of financial obligations over available financial assets due at any point in time. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and cash equivalents. As of October 31, 2023, the Company was holding cash and cash equivalent deposits of \$274,543 (October 31, 2022 - \$503,258) to settle current liabilities of \$287,512 (October 31, 2022 - \$311,348). Management believes it has sufficient funds to meet its current obligations as they become due and to fund its exploration projects and administrative costs.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

11. Financial and capital risk management objectives and policies and fair value (cont'd)

c) Credit Risk

Credit risk is the risk of potential loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and cash equivalents. The Company maintains its cash and cash equivalents with high-credit quality financial institutions, thus limiting its exposure to credit risk on such financial assets. The Company's secondary exposure to credit risk is on its receivables. This risk is minimal as receivables consist primarily of refundable government sales taxes and interest accrued on GIC investments.

d) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. These fluctuations may be significant and the Company, has exposure to these risks.

e) Interest Rate Risk

The Company's exposure to interest rate risk arises from the interest rate impact on its cash and cash equivalents. The Company's practice has been to invest cash at floating rates of interest, in cash equivalents, in order to maintain liquidity, while achieving a satisfactory return for shareholders. There is minimal risk that the Company would recognize any loss as a result of a decrease in the fair value of any guaranteed bank investment certificates and cash as they are generally held with large financial institutions.

f) Currency Risk

The Company operates in Canada and is therefore not exposed to significant foreign exchange risk arising from transactions denominated in a foreign currency.

g) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors certain commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Fair Value Hierarchy

The statements of financial position carrying amounts for cash and cash equivalents, and trades payable approximate fair value due to their short-term nature.

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

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices observable for the asset or liability, either directly or indirectly;

Level 3 - Inputs that are not based on observable market data.

As of October 31, 2023, there were no financial instruments measured at fair value.

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

11. Financial and capital risk management objectives and policies and fair value (cont'd)

The Company's financial instruments on October 31, 2023, and 2022 are classified as follows:

	FVTPL		Amortized cost	
	2023	2022	2023	2022
Financial assets				
Cash	-	-	\$ 274,543	503,258
Financial Liabilities				
Trade payables	-	-	(287,512)	(311,348)
	-	-	\$ (12,969)	191,910

h) Capital Management

The Company manages its capital to safeguard the Company's ability to continue as a going concern, so that it can continue to provide adequate returns to shareholders and benefits to other stakeholders, and to have sufficient funds on hand for business opportunities as they arise.

The Company manages the capital structure and makes adjustments to it in the 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 issue new shares through short-form prospectuses, private placements, sell assets, incur debt, or return capital to shareholders. There were no changes in the Company's approach to capital management during the period. In the management of capital, the Company includes the components of shareholders' equity, as well as cash. As of October 31, 2023, the Company is not subject to externally imposed capital requirements. There have been no changes to the Company's approach to capital management during the period.

12. Commitments

The Company has consulting agreements with its key management personnel. These contracts require payments upon termination of approximately \$40,000 pursuant to the terms of these contracts. These amounts have not been recorded in these consolidated financial statements as a triggering event has not taken place.

13. Income Taxes

a) Provision for Income Taxes

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 26.5% (2022 26.5%) to the effective tax is as follows:

	2023	2022
(Loss) before income taxes	\$ (385,730)	\$ (2,690,305)
Expected income tax recovery based on statutory rate.	\$ (103,000)	\$ (713,000)
Adjustment to expected income tax recovery		
Share based compensation	42,000	33,000
Flow-through renunciation	-	216,000
Change in benefit of tax assets not recognised	61,000	464,000
Deferred income tax provision (recovery)	-	-

TOMBILL MINES LIMITED

Notes to the Consolidated Financial Statements
For the year ended October 31, 2023 and 2022
(Expressed in Canadian Dollars)

13. Income Taxes (cont'd)

b) Deferred Income Tax

Deferred taxes are a result of temporary differences that arise due to the differences between the income tax values and carrying amount of assets and liabilities.

Unrecognized deferred tax assets

Deferred income tax assets have not been recognized in respect of the following deductible temporary differences:

	2023	2022
Non-capital loss carry-forwards	\$2,751,000	\$2,255,000
Share issue costs	267,000	401,000
Mineral property costs	3,733,000	2,514,000
Total	6,751,000	5,170,000

The tax losses expire from 2031 to 2043. The other temporary differences do not expire under current legislation.

Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the Company can use the benefits.

14. Subsequent events

- (i) In November the company raised successfully \$720,000 through a private placement issuing 48,559,999 new common shares and 48,559,999 new warrants at \$0.015 per share. These warrants have an exercise price of \$0.05 and expire 60 months following the closing date. Certain directors and officers of the Company subscribed for approximately \$330,000 or 22,000,000 common shares.
- (ii) Further 747,019 options have expired unexercised.
- (iii) The total of warrants expiring December 31st 2023 (15,732,904 units) expired unexercised.