TRU PRECIOUS METALS CORP.

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UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023

(EXPRESSED IN CANADIAN DOLLARS)

NOTICE TO READER

In accordance with National Instrument 51-102 Continuous Disclosure Obligations released by the Canadian Securities Administrators, TRU Precious Metals Corp. (the “Company”) discloses that its independent auditor has not reviewed the unaudited condensed interim financial statements for the three months ended March 31, 2024 and 2023. These condensed interim financial statements are the responsibility of management and have been reviewed and approved by the Company’s audit committee and Board of Directors.

TRU Precious Metals Corp.

Unaudited Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)
As at

	March 31, 2024	December 31, 2023
ASSETS		
Current assets		
Cash and cash equivalents	$ 2,338,888	$ 2,649,188
Amounts receivable	180,195	218,304
Deposits and prepaid expenses	9,754	29,224
TOTAL ASSETS	$ 2,528,837	$ 2,896,716
LIABILITIES AND SHAREHOLDER'S EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Note 11)	65,655	170,831
Restoration and environmental obligations (Note 10)	47,500	47,500
Total liabilities	113,155	218,331
Shareholders' equity		
Share capital (Note 7)	13,653,852	13,713,740
Contributed Surplus (Notes 8 and 9)	5,543,773	5,545,564
Accumulated deficit	(16,781,943)	(16,580,919)
Total shareholders' equity	2,415,682	2,678,385
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 2,528,837	$ 2,896,716

Nature of operations and going concern (Note 1)
Commitments and contingencies (Notes 12)
Subsequent events (Note 13)

Approved on behalf of the Board:

" Manish Kshatriya " Director

" Joel Freudman " Director

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

TRU Precious Metals Corp.

Unaudited Condensed Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
For the Three Months ended March 31

	2024	2023
EXPENSES		
Management fees and salaries (Note 11)	**$ 98,826**	$ 94,346
Share-based compensation (Note 9 & 11)	**(1,791)**	53,443
Professional fees	**8,809**	1,893
Filing and agency fees	**10,615**	12,608
Corporate communications and investor relations	**10,445**	67,727
Administrative costs (Note 11)	**23,358**	27,696
Directors' fees and expenses (Note 11)	**4,500**	9,000
Exploration and evaluation expenses (Note 10 & 11)	**79,883**	119,295
TOTAL EXPENSES BEFORE OTHER ITEMS	**234,645**	386,008
OTHER (INCOME) EXPENSES		
Interest expense (income)	**(29,514)**	(7,791)
Flow-through premium liability recovery	**-**	(11,284)
Exploration services income	**(4,107)**	-
Realized loss on investments	**-**	2,762
Unrealized loss (gain) on equity investments	**-**	(3,587)
NET LOSS AND COMPREHENSIVE LOSS	**$ 201,024**	$ 366,108
Net loss per share		
Basic and diluted	**$ (0.00)**	$ (0.00)
Weighted average common shares outstanding		
Basic and diluted	**164,238,146**	91,869,989

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

TRU Precious Metals Corp.

Unaudited Condensed Interim Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share capital	Contributed surplus	(Deficit)	Total
Balance as at December 31, 2023	**165,773,322**	**$ 13,713,740**	**$ 5,545,564**	**$ (16,580,919)**	**2,678,385**
Treasury shares repurchased through NCIB (Note 7)	-	(59,888)	-	-	**(59,888)**
Shares cancelled (Note 7)	(2,323,000)	-	-	-	**-**
Share-based payments (Note 9)	-	-	(1,791)	-	**(1,791)**
Net loss for the three months ended March 31	-	-	-	(201,024)	**(201,024)**
Balance as at March 31, 2024	**163,450,322**	**$ 13,653,852**	**$ 5,543,773**	**$ (16,781,943)**	**2,415,682**
Balance as at December 31, 2022	**91,869,989**	**$ 11,006,785**	**$ 4,564,507**	**$ (14,437,744)**	**$ 1,133,548**
Share-based payments	-	-	53,443	-	**53,443**
Net loss for the three months ended March 31, 2023	-	-	-	(366,108)	**(366,108)**
Balance as of March 31, 2023	**91,869,989**	**$ 11,006,785**	**$ 4,617,950**	**$ (14,803,852)**	**$ 820,883**
Shares issued pursuant to private placements	70,570,000	2,733,959	794,541	-	**3,528,500**
Share issuance costs-cash	-	(75,740)	(24,248)	-	**(99,988)**
Share issuance costs-non-cash		(3,985)	3,985	-	**-**
Treasury shares repurchased through NCIB	-	(30,612)	-	-	**(30,612)**
Shares issued for acquisition of exploration and evaluation assets	3,333,333	83,333	-	-	**83,333**
Share-based payments	-	-	153,336	-	**153,336**
Net loss for the nine months ended December 31, 2023	-	-	-	(1,777,067)	**(1,777,067)**
Balance as at December 31, 2023	**165,773,322**	**$ 13,713,740**	**$ 5,545,564**	**$ (16,580,919)**	**2,678,385**

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

TRU Precious Metals Corp.
Unaudited Condensed Interim Statements of Cash Flows
(Expressed in Canadian Dollars)
For the Three Months ended March 31

	2024	2023
Operating activities		
Net loss	**$ (201,024)**	$ (366,108)
Share-based payments	**(1,791)**	53,443
Flow-through premium liability recovery	**-**	(11,284)
Realized and unrealized loss on investments	**-**	(825)
Changes in non-cash working capital items:		
Amounts receivable	**38,109**	49,788
Deposits and prepaid expenses	**19,470**	14,198
Accounts payable and accrued liabilities	**(105,176)**	(36,433)
Net cash used in operating activities	**(250,412)**	(297,221)
Financing activities		
Share issue costs	**-**	(6,637)
Repurchase of shares through NCIB (Note 9)	**(59,888)**	-
Net cash (used in)/provided by financing activities	**(59,888)**	(6,637)
Investing activities		
Proceeds on disposal of investments	**-**	3,265
Net cash provided by investing activities	**-**	3,265
Net change in cash and cash equivalents	**(310,300)**	(300,593)
Cash and cash equivalents, beginning of period	**2,649,188**	1,067,815
Cash and cash equivalents, end of period	**$ 2,338,888**	$ 767,222

Significant non-cash investing and financing transactions for the three months ended March 31, 2024 consisted of:

a) Decrease in accrued share issue costs was $Nil (2023: $6,637)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

TRU Precious Metals Corp. (“TRU” or the “Company”) is a Canadian public company listed on the TSX Venture Exchange (the “TSXV”) under the symbol “TRU”. The Company’s common shares are also listed on the OTC Pink Open Market (“OTC”) under the symbol “TRUIF”, and on the Frankfurt Stock Exchange under the symbol “706”. The Company exists under the laws of the Province of Ontario, following a continuance out of the Province of Alberta in August 2021. The Company’s head office is located at 70 Trius Drive, Fredericton, New Brunswick, Canada, E3B 5E3.

The Company has assembled a portfolio of gold exploration properties in Newfoundland, Canada. The Company’s future viability depends initially upon the acquisition and financing of mineral exploration projects. If the mineral projects are to be successful, additional funds will be required for exploration and development and, if warranted, to place them into commercial production. The sources of funds presently available to the Company are through the issuance of common shares or through the sale of an interest in any of its properties in whole or in part. The ability of the Company to arrange such financing or the sale of an interest will depend, in part, on prevailing market conditions as well as the business performance and exploration results of the Company. There can be no assurance that the Company will be successful in its efforts to arrange the necessary financing, if needed, on terms satisfactory to the Company. If additional financing is arranged through the issuance of shares, control of the Company may change, and shareholders may suffer significant dilution. As at March 31, 2024, the Company had sufficient working capital to meet its needs for the foreseeable future and accordingly, the going concern assumption is considered appropriate.

Although the Company has taken steps to verify title to the properties 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 government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

These financial statements of the Company for the three months ended March 31, 2024 and 2023 were approved and authorized for issue by the Board of Directors on May 2, 2024.

2. BASIS OF PRESENTATION AND COMPLIANCE

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IAS") 34, Interim Financial Reporting (“IAS 34”), as issued by the International Accounting Standards Board (“IASB”), and its interpretations. Accordingly, these condensed interim financial statements do not include all the information and footnotes required by International Financial Reporting Standards (“IFRS”) for complete financial statements for year-end reporting purposes. The policies set out in the Company’s annual financial statements for the year ended December 31, 2023 were consistently applied to all periods presented unless otherwise noted below.

Basis of presentation

These condensed interim financial statements have been prepared on a going concern basis, under the historical cost basis (except for financial instruments carried at fair value), and using the accrual basis of accounting, except for cash flow information.

Comparative Figures

The prior year comparatives have been updated to conform with the current year’s presentation.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial statements in accordance with IAS 1 ("IAS 1"), Preparation of Financial Statements, requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

Presentation and functional currency

Amounts in the financial statements are presented in Canadian dollars, which is the functional currency of the Company.

Financial instruments

The following is the Company's accounting policy for financial instruments under IFRS 9 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 income ("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.

The Company's financial instruments consist of the following:

Financial assets:	Classification:
Cash	Amortized cost
Cash equivalents	FVTPL
Investments	FVTPL
Amounts receivable	Amortized cost

Financial liabilities:	Classification:
Accounts payable and accrued liabilities	Amortized cost

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 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 statement of loss in the period in which they arise.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in Other Comprehensive Income (“OCI”). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

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 statement of 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.

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 of the associated risks and rewards of ownership to another entity.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

Investments

Purchases and sales of investments are recognized on a trade date basis. Public and private investments at fair value through profit or loss are initially recognized at fair value, with changes in fair value reported in profit or loss. Transaction costs are expensed as incurred in profit or loss. At each financial reporting period, the Company’s management estimates the fair value of its investments based on the criteria below and reflects such valuations in the financial statements.

Securities in privately-held companies are initially recorded at cost, being the fair value at the time of acquisition. At the end of each financial reporting period, the Company’s management estimates the fair value of investments based on the criteria below and reflects such valuations in the financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

With respect to valuation, the financial information of private companies in which the Company has investments may not always be available, or such information may be limited and/or unreliable. Use of the valuation approach described below may involve uncertainties and determinations based on the Company's judgment and any value estimated from these may not be realized or realizable. In addition to the events described below, which may affect a specific investment, the Company will take into account general market conditions when valuing the privately-held investments in its portfolio. In the absence of occurrence of any of these events or any significant change in general market conditions indicates generally that the fair value of the investment has not materially changed.

An upward fair value adjustment is considered appropriate and supported by pervasive and objective evidence such as a significant subsequent equity financing by an unrelated investor at a transaction price higher than the Company's carrying value; or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a positive impact on the investee company's prospects and therefore its fair value. In these circumstances, the adjustment to the fair value of the investment will be based on management's judgment and any value estimated may not be realized or realizable.

Such events include, without limitation:
- receipt by the investee company of regulatory approvals, which allow the investee company to proceed with its business plans and projects;
- release by the investee company of positive operational results; and
- important positive management changes by the investee company that the Company's management believes will have a very positive impact on the investee company's ability to achieve its objectives and build value for shareholders.

Downward fair value adjustments are made when there is evidence of a decline in value as indicated by the assessment of the financial condition of the investment based on third party financing, operational results, forecasts, and other developments since acquisition, or if there have been significant corporate, political or operating events affecting the investee company that, in management's opinion, have a negative impact on the investee company's prospects and therefore its fair value. The amount of the change to the fair value of the investment is based on management's judgment and any value estimated may not be realized or realizable. Such events include, without limitation:
- denial of the investee company's application for regulatory approvals that prohibit the investee company from proceeding with its business plans and projects;
- the investee company releases negative operational results;
- changes to the management of the investee company take place that the Company believes will have a negative impact on the investee company's ability to achieve its objectives and build value for shareholders;
- the investee company is placed into receivership or bankruptcy; and
- based on financial information received from the investee company, it is apparent to the Company that the investee company is unlikely to be able to continue as a going concern.

The resulting fair values may differ from amounts that would be realized had a ready market existed. The amounts at which the Company's privately-held investments could be disposed of may differ from the fair value recorded. Such differences could be material.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral property rights, property option payments and exploration and evaluation activities.

Once a project has been established as commercially viable, technically feasible and the decision to proceed with development has been approved by the Board of Directors, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production.

Impairment of assets

The carrying amount of the Company's assets is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order 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 of assets 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. Any reversal of impairment cannot increase the carrying value of the asset 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.

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

During the reporting periods presented herein, diluted loss per share is equal to basic loss per share as the effects of outstanding options and warrants is anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Current income tax:

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax:

Deferred income tax is recognized, using the asset and liability method, on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Deferred tax assets are reviewed at each reporting period and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Share-based payments

Where equity-settled share options are awarded to employees and consultants, the fair value of the options at the date of grant is charged to the statement of loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to the statements of loss over the remaining vesting period. When stock options are granted by the Company, the corresponding increase is recorded to share-based payments reserve.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Share-based payments (continued)

Where equity instruments are granted to employees, they are recorded at the fair value at the grant date. The grant date fair value is recognized in the statement of loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in the statement of loss. When the value of goods and services received in exchange for the share-based payment cannot be reliably estimated, the transaction is measured at the fair value of the equity instrument granted.

All equity-settled share-based payments are reflected in share-based payment reserves, until exercised. Upon exercise, the shares are issued from treasury and the amount reflected in share-based payment reserves is credited to share capital for any consideration paid. On expiry, the amount remains in share-based payments reserve.

Estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company has made estimates as to the expected volatility of its own shares, the probable life of options granted and the time of exercise of those options. The model generally used by the Company for the value of options is the Black-Scholes valuation model.

Functional currency

The functional currency of the Company and its subsidiary is the Canadian dollar. Transactions denominated in foreign currencies (other than the functional currency) are recorded on initial recognition at the exchange rate at the date of the transaction. After initial recognition, monetary assets and liabilities denominated in foreign currency are translated at the end of each reporting period into the functional currency at the exchange rate at that date. Exchange differences, other than those capitalized to qualifying assets or recorded in equity in hedging transactions, are recognized in profit or loss. Non-monetary assets and liabilities measured at cost in a foreign currency are translated at the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currency and measured at fair value are translated into the functional currency using the exchange rate prevailing at the date when the fair value was determined.

Government grants and assistance

Government grants are recognized only once there is reasonable assurance that the Company will be able to comply with any conditions attached to the grant and that the grant will be received. Grants are recognized as either income over the period(s) necessary to match them with the related costs or if related to a specific expense, as a reduction or contra to the expenses for which they are intended to compensate, on a systematic basis. Grants receivable for costs already incurred or for immediate financial support, with no future related costs, are recognized as income in the period in which the grant is receivable against the related expense.

Flow-through shares

The Company may, from time to time, issue flow-through common shares to finance a portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource properties to investors. On the date of issuance of the flow-through shares, the premium relating to the proceeds received in excess of the fair value of the Company's

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Flow-through shares (continued)

common shares is allocated to premium on flow-through shares liability. The reduction to the premium liability in the period of renunciation is recognized through operations.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the lookback rule, in accordance with Government of Canada flow-through regulations.

Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Where discounting is used, the increase in the provision due to the passage of time is recognized as a financial cost and included in interest expense.

Restoration and environmental obligations

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of long-term assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future restoration cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related asset along with a corresponding increase in the restoration provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of restoration costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related asset with a corresponding entry to the restoration provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of restoration costs, are charged to the statement of loss for the period.

Significant accounting estimates and judgements

The preparation of the Company's financial statements in accordance with IFRS requires the Company to make estimates and judgments concerning the future. The Company's management reviews these estimates and underlying judgments on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting period include determining: the fair value of measurements of financial instruments; the valuation of share-based compensation; recognition of contingent liabilities; and the recoverability and measurement of deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates and judgements (continued)

The effect of a change in an accounting estimate is recognized prospectively by including it in operations in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

The estimates and assumptions that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Impairment
Assets, including right of use asset, are reviewed for impairment whenever events or changes in circumstances indicate that their carrying amounts exceed their recoverable amounts. An impairment loss is recognized for the amount by which an asset's or cash-generating unit's carrying amount exceeds its recoverable amount. To determine the recoverable amount, management estimates the higher of fair value less costs to sell and value in use. The actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

Provisions and Contingencies
Provisions and contingencies arising in the course of operations, including provisions for income or other tax matters are subject to estimation uncertainty. Management uses all information available in assessing the recognition, measurement and disclosure of matters that may give rise to provisions or contingencies. The actual outcome of various provisional and contingent matters may vary and may cause significant adjustments when the amounts are determined or additional information is acquired.

Share-based payment transactions
The Company measures the cost of equity-settled transactions with employees and applicable non-employees by reference to the fair value of the equity instruments at the date at which they are vested. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, risk-free interest rates, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 9.

Income, value added, withholding and other taxes
The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company’s provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company’s income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company’s interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant accounting estimates and judgements (continued)

Restoration and environmental obligations
The cost estimates are updated annually during the life of a project to reflect known developments, (e.g. revisions to cost estimates and to the estimated lives of operations) and are subject to review at regular intervals. Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, 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 property. As at March 31, 2024, the restoration and environmental obligation is $47,500 (December 31, 2023 - $47,500). Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

Contingencies
See Note 12.

Adoption of new and amended IFRS pronouncements

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

4. CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence, safeguard the Company's ability to support the exploration and development of its mineral properties and to sustain future development of the business. The capital structure of the Company consists of equity.

The Company's objectives in managing capital are (a) to maintain adequate levels of funding to safeguard the Company's ability to continue as a going concern, so that the Company is able to pursue the exploration and development of its mineral property interests, and (b) to maintain a flexible capital structure which will optimize the costs of capital at an acceptable risk.

The Company plans to manage its capital structure in a manner that provides sufficient funding for operational activities through funds primarily secured through equity capital obtained in private placements. There can be no assurances that the Company will be able to continue raising capital in this manner.

Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this form of financing due to volatile conditions for junior mineral exploration companies. The Company makes adjustments to its management of capital in the light of changes in economic conditions and the risk characteristics of its assets, seeking to limit shareholder dilution and optimize its costs of capital while maintaining an acceptable level of risk.

There are no restrictions on the Company's capital and there were no significant changes in the Company's approach to capital management for the reporting periods. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSXV which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

<u>Fair value</u>

Fair value is the amount at which a financial instrument could be exchanged between willing parties based on current markets for instruments with the same risk, principal and remaining maturity. Fair value estimates are based on present value and other valuation techniques using rates that reflect those that the Company could currently obtain, on the market, for financial instruments with similar terms, conditions and maturities.

The Company classifies the fair value of the financial instruments according to the following hierarchy based on the observable inputs used to value the instrument:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (i.e., supported by little or no market activity).

The Company's cash equivalents and investments in publicly traded companies are valued at Level 1. Investments in privately held companies are valued at Level 3. There were no transfers between levels during the period.

The key assumptions used in the valuation of the investments in privately held companies classified as Level 3 include the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions, the marketability of the investment and the share performance of comparable publicly-traded companies. The receipt of special warrants from Eastern Precious Metals Corp. ("Eastern") received pursuant to the Twilite Option Agreement were valued using pricing from Eastern's financings (Note 6). In September 2023, the Option Agreement was terminated and TRU surrendered the special warrants.

The Company determined that the carrying values of its short-term financial assets and liabilities approximate the corresponding fair values because of the relatively short periods to maturity of these instruments and the low credit risk.

<u>Credit risk</u>

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur financial loss. The Company's primary exposure to credit risk is on its cash and cash equivalents and amounts receivable.

The credit risk on cash and cash equivalents is remote as the Company maintains accounts with highly-rated financial institutions.

Credit risk with respect to the amounts receivable has been assessed as remote as it primarily relates to HST/GST input tax credits owed from the Government of Canada and grants and refunds owed from the Newfoundland provincial government. Receivables from other arms-length parties are partially secured by cash security deposits.

<u>Allowance for expected credit losses</u>

The Company measures loss allowances based on an expected credit loss impairment ("ECL") model for all financial instruments measured at amortized cost or fair value through other comprehensive income with recycling into income. Application of the model depends on the following credit stages of the financial assets.

5. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

Allowance for expected credit losses (Continued)

- Stage 1 - for new loans recognized and for existing loans that have not experienced a significant increase in credit risk ("SICR") since initial recognition, a loss allowance is recognized equal to the lifetime credit losses expected to result from defaults occurring in the next 12 months;
- Stage 2 - for those loans that have experienced a SICR since initial recognition, a loss allowance is recognized equal to the credit losses expected over the remaining life of the loan; and
- Stage 3 - for loans that are considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is recognized.

Significant judgement is required in making assumptions and estimates used to calculate the ECL, including movements between the three stages and the use of forward-looking information. The measurement of ECL for each stage and the criteria used to determine a SICR uses information about past events and current conditions as well as reasonable and supportable projections of future events.

Foreign exchange risk
Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's exposure to foreign exchange risk is minimal.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. As at March 31, 2024, the Company has current assets totaling $2,528,837 (December 31, 2023 - $2,896,716) to settle current liabilities of $113,155 (December 31, 2023 - $218,331).

6. INVESTMENTS

Investments are comprised of shares of publicly traded entities and special warrants of privately held entities. The Company classifies its investments at fair value through profit or loss. Realized gains and losses on disposal of investments and unrealized gains and losses in the fair value of investments are reflected in profit or loss for the period in which they occur.

During the year ended December 31, 2022, the Company acquired 2,500,000 special warrants of Eastern, a private company, pursuant to the terms of the Twilite Option Agreement. The special warrants entitle the holder to acquire one common share of Eastern for each special warrant held, without the payment of additional consideration. The special warrants were initially recorded at a value of $125,000 based on the price of the most recent financing concluded by the investee at the time of receipt. At December 31, 2022, the special warrants were valued at $250,000. In May, 2023, the Company received an additional 1,000,000 special warrants pursuant to the option agreement. The additional warrants were valued at $100,000. In September 2023, the Option Agreement was terminated and the special warrants were returned to Eastern with the fair value of the special warrants being written off accordingly.

(Expressed in Canadian Dollars)

6. INVESTMENTS (Continued)

The following is an analysis of investments including related gains and losses for the three months ended March 31, 2024 and the year ended December 31, 2023:

Investments, December 31, 2022	$	**252,440**
Purchase of investments		**-**
Special warrants from property option agreement		**100,000**
Disposition of investments		**(3,265)**
Realized loss on investments		**(227,762)**
Change in unrealized gain (loss) on investments		**(121,413)**
Investments, December 31, 2023 and March 31, 2024	**$**	**-**

7. SHARE CAPITAL

The Company has authorized an unlimited number of common shares without par value. As at March 31, 2024, the Company had 163,450,322 common shares outstanding (December 31, 2022 – 165,773,322).

On December 11, 2023, the Company commenced a Normal Course Issuer Bid ("NCIB") to purchase and cancel up to 9,668,743 of its common shares. The NCIB will conclude on December 10, 2024, or earlier if the maximum number of common shares sought in the NCIB has been repurchased, or if the Company deems it appropriate to conclude the NCIB before the specified end date. During the three months ended March 31, 2024, 2,070,000 shares were repurchased at an average price of $0.027 per share. Since the inception of the NCIB to March 31, 2024, the Company purchased 2,932,000 common shares. As of March 31, 2024, 2,323,000 of the repurchased common shares were cancelled.

8. SHARE PURCHASE WARRANT RESERVE

As at March 31, 2024, the following warrants were outstanding:

Expiry Date	Exercise price $	Number of warrants	Remaining contractual life (years)
May 17, 2024	0.16	9,448,742	0.13
May 17, 2024 (finder)	0.16	389,900	0.13
May 18, 2024	0.16	1,516,000	0.13
May 18, 2024 (finder)	0.16	105,000	0.13
June 17, 2024	0.35	12,960,186	0.21
June 17, 2024 (finder)	0.35	1,036,814	0.21
December 21, 2024	0.10	3,850,000	0.73
December 21, 2024 (finder)	0.10	609,000	0.73
December 21, 2025	0.08	2,118,182	1.73
May 2, 2026	0.075	10,570,000	2.09
May 2, 2026 (finder)	0.075	352,000	2.09
September 5, 2026	0.075	30,000,000	2.43
		72,955,824	1.47

(Expressed in Canadian Dollars)

8. SHARE PURCHASE WARRANT RESERVE

The following is a summary of warrant transactions for the three months ended March 31, 2024 and the year ended December 31, 2023:

	Number of warrants	Weighted average exercise price
Balance as at December 31, 2022	48,470,134	$ 0.27
Transactions during the period		
Warrants issued	40,922,000	0.075
Warrants voluntarily forfeited	(624,273)	0.35
Balance as at December 31, 2023	88,767,861	$ 0.18
Warrants expired	(15,812,037)	0.35
Balance as at March 31, 2024	72,955,824	0.14

9. SHARE-BASED PAYMENTS

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSXV requirements, grant to directors, officers, employees and consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares at the time of the most recent grant. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company.

As at March 31, 2024, the following options were outstanding:

Expiry date	Exercise price $	Number of options outstanding	Weighted average remaining contractual life (years)	Number of options vested and exercisable	Weighted average remaining contractual life (years)
May 26, 2025	0.105	750,000	1.15	750,000	1.15
January 5, 2026	0.065	150,000	1.76	150,000	1.76
February 8, 2026	0.065	200,000	1.86	200,000	1.86
December 15, 2026	0.05	6,450,000	2.71	6,450,000	2.71
		7,550,000	2.51	7,550,000	2.51

(Expressed in Canadian Dollars)

9. SHARE-BASED PAYMENTS (continued)

The following is a summary of stock option transactions for the three months ended March 31, 2024 and the year ended December 31, 2023:

	Number of options	Weighted average exercise price
Options outstanding, December 31, 2022	6,760,000	$ 0.15
Transactions during the period:		
Options granted	6,900,000	0.05
Options forfeited	(438,750)	0.16
Options cancelled	(4,425,000)	0.16
Options expired	(1,146,250)	0.15
Options outstanding, December 31, 2023	7,650,000	$ 0.056
Options forfeited	(100,000)	0.065
Options outstanding, March 31, 2024	7,550,000	0.056
Options exercisable, March 31, 2024	7,550,000	$ 0.056

During the three months ended March 31, 2024, the Company recognized share-based compensation expense $(1,791) (2023 - $53,443).

10. EXPLORATION AND EVALUATION EXPENDITURES

The exploration and evaluation expenditures for the Company's active properties incurred from inception to March 31, 2024 are presented below.

	Golden Rose	Twilite Gold	Total
Acquisition Costs:			
Balance, December 31, 2023	$ 3,023,755	$ 511,721	$ 3,535,476
Additions during the period	25,750	-	25,750
Balance, March 31, 2024	3,049,505	511,721	3,561,226
Exploration Expenditures:			
Balance, December 31, 2023	5,943,945	484,177	6,428,122
Camp costs, field supplies and equipment rentals	9,054	-	9,054
Prospecting and geological (including trenching)	38,740	-	38,740
Geophysical surveys and structural mapping	-	-	-
Sampling	138	-	138
Other	1,878	900	2,778
Additions during the period	49,810	900	50,710
Balance, March 31, 2024	5,993,755	485,077	6,478,832
Total, March 31, 2024	$ 9,043,260	$ 996,798	$ 10,040,058

During the three months ended March 31, 2024, the Company incurred $3,423 of exploration and evaluation expenditures in performance of the services required pursuant to a Geological Services Contract with Lynx Resources Corp.

(Expressed in Canadian Dollars)

10. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Grants and Refunds

The Company's exploration activities qualify for various grants and refunds from the government of Newfoundland. As of March 31, 2024, $119,850 (December 31, 2023 - $119,850) of expected grants and refunds are included in amounts receivable and have been applied against the related costs within exploration and evaluation expenditures.

Restoration and Environmental Obligations

As at March 31, 2024, $47,500 (December 31, 2023- $47,500) was recorded for the restoration and environmental obligation related to the Company's mineral claims. Discounting of the obligation has not been performed as the reclamation work is expected to occur within the next 12 months therefore, the effect of the time value of money was not material.

11. RELATED PARTY TRANSACTIONS

In the course of regular business activities, the Company has transactions with related parties. Such transactions are as follows:

Compensation of directors and key management personnel

	Three Months ended	
	March 31, 2024	March 31, 2023
Management fees and salaries	**$ 94,500**	$ 89,500
Exploration and evaluation expenses	**13,149**	21,000
Directors' fees and expenses	**4,500**	9,000
Administrative costs	**6,750**	6,750
Share-based compensation	**542**	11,048
	$ 119,441	$ 137,298

The remuneration of directors and key executives are determined by the Board of Directors having regard to their respective performance, compensation levels at comparable companies, and market trends.

Effective May 1, 2022, the Company entered into a corporate services agreement for corporate secretarial services and rent with a company controlled by a director and officer of the Company. The corporate secretarial charges are included in management fees while rent is included in administrative costs.

Effective November 1, 2023, the Company entered into a technical services agreement with Ormonde Mining plc whereby Ormonde would provide technical consulting, primarily including the services of a Project Evaluation Advisor, to TRU on a cost basis.

At March 31, 2024, $12,004 (2023: $26,000) due to related parties is included in accounts payables and accrued liabilities. These amounts are unsecured, non-interest bearing and due on demand.

12. COMMITMENTS AND CONTINGENCIES

The Company is required to make certain cash payments, incur exploration costs, and issue shares to maintain its mineral properties in good standing. These payments, costs and share issuances are at the Company's discretion and are based upon available financial resources and the exploration merits of the mineral properties, which are evaluated on a periodic basis.

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make future in the future, expenditures to comply with such laws and regulations.

There are many transactions and calculations for which the ultimate tax determination is uncertain. While the Company believes that its tax filing positions are appropriate and supportable, for time to time, certain matters are reviewed and challenged by the tax authorities. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities.

At March 31, 2024, the Company was party to two personnel contracts which would require the Company to pay an aggregate of $255,000 upon the occurrence of certain events such as change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the financial statements.

13. SUBSEQUENT EVENTS

i) Subsequent to March 31, 2024, the Company purchased 741,000 common shares at an average price of $0.03 per share pursuant to its NCIB and 609,000 shares were cancelled.
ii) 150,000 options exercisable at $0.065 per share expired.
iii) The Company granted 2,300,000 options to certain of its directors, officers and consultants. The options are exercisable at $0.05 per share for a period of three years and vest immediately upon grant.