

## **FORM 5**

### **QUARTERLY LISTING STATEMENT**

Name of Listed Issuer: Taurus Gold Corp. (the “Issuer”).

Trading Symbol: TAUR

This Quarterly Listing Statement must be posted on or before the day on which the Issuer’s unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer’s first, second and third fiscal quarters. This statement is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

#### **General Instructions**

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

#### **SCHEDULE A: FINANCIAL STATEMENTS**

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

The interim financial statements for the six months ended January 31, 2024 (the “Financial Statements”), as filed with the securities regulatory authorities are attached to this Quarterly Listing Statement as Schedule “A”.

## **SCHEDULE B: SUPPLEMENTARY INFORMATION**

The supplementary information set out below must be provided when not included in Schedule A.

### **1. Related party transactions**

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.
- (b) A description of the transaction(s), including those for which no amount has been recorded.
- (c) The recorded amount of the transactions classified by financial statement category.
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto.
- (e) Contractual obligations with Related Persons, separate from other contractual obligations.
- (f) Contingencies involving Related Persons, separate from other contingencies.

Please refer to Note 7 of the Financial Statements for all information regarding the Issuer's related party transactions.

### **2. Summary of securities issued and options granted during the period.**

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period,

All securities issued by the Issuer during the six months ended January 31, 2024 have been disclosed in the Financial Statements.

Date of Issue	Type of Security (common shares, convertible debentures, etc.)	Type of Issue (private placement, public offering, exercise of warrants, etc.)	Number	Price	Total Proceeds	Type of Consideration (cash, property, etc.)	Describe relationship of Person with Issuer (indicate if Related Person)	Commission Paid

(b) summary of options granted during the period,

Date	Number	Name of Optionee if Related Person and relationship	Generic description of other Optionees	Exercise Price	Expiry Date	Market Price on date of Grant

### 3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,
- (b) number and recorded value for shares issued and outstanding,
- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and
- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

A summary of the Issuer's securities as at the end of the reporting period has been provided in the Financial Statements.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Name	Position
Frank Lagiglia	Director, CEO
Trevor Harding	Director
Lori Walton	Director
Michael Rapsch	Director
Stephen Brohman	CFO

## SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

The management's discussion and analysis for the six months ended January 31, 2024, as filed with the securities regulatory authorities, is attached to this Quarterly Listing Statement as Schedule "B".

### Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated March 28, 2024

Frank Lagiglia  
Name of Director or Senior Officer

signed "Frank Lagiglia"  
Signature

Director and Chief Executive Officer  
Official Capacity

<b>Issuer Details</b>		For Quarter Ended	Date of Report YY/MM/D
Name of Issuer  Taurus Gold Corp.		January 31, 2024	24/03/28
Issuer Address  Suite #239, 9768 – 170 Street			
City/Province/Postal Code  Edmonton, Alberta, T5T 5L4		Issuer Fax No.  N/A	Issuer Telephone No.  (403) 807-9345
Contact Name  Frank Lagiglia		Contact Position  CEO	Contact Telephone No.  (403) 807-9345
Contact Email Address  <a href="mailto:info@taurusgold.ca">info@taurusgold.ca</a>		Web Site Address  <a href="https://taurusgold.ca">https://taurusgold.ca</a>	

**Schedule “A”**  
**Financial Statements**  
**[See attached]**



**Taurus Gold Corp.**  
**Condensed Interim Financial Statements**  
**For the six months ended**  
**January 31, 2024**  
**Unaudited – Prepared by Management**  
**(Expressed in Canadian Dollars)**

**NOTICE OF NO AUDITOR REVIEW**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

**NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the condensed interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of Taurus Gold Corp. (the "Company") have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim financial statements are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

March 28, 2024



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**Taurus Gold Corp.****Condensed Interim Statements of Financial Position****(Unaudited – Prepared by Management)**

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**As at January 31, 2024 and July 31, 2023**

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	Note	January 31, 2024 \$	July 31, 2023 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash		122,885	623,509
Sales tax receivable		35,198	21,218
Prepaid expenses		15,643	4,473
		<b>173,726</b>	649,200
<b>Non-current assets</b>			
Prepaid exploration expenditures	4	23,363	53,363
Mineral property interests	4	1,990,217	1,881,400
		<b>2,013,580</b>	1,934,763
<b>Total assets</b>		<b>2,187,306</b>	2,583,963
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	7	60,827	211,124
Flow-through liability	6	-	53,750
		<b>60,827</b>	264,874
<b>Shareholders' equity</b>			
Share capital	6	3,104,100	3,104,100
Reserves	5	505,100	414,800
Deficit		(1,482,721)	(1,199,811)
<b>Total shareholders' equity</b>		<b>2,126,479</b>	2,319,089
<b>Total liabilities and shareholders' equity</b>		<b>2,187,306</b>	2,583,963
<b>Nature and continuance of operations</b>	1		
<b>Subsequent event</b>	11		

Approved on behalf of the Board of Directors on March 28, 2024:

*"Lori Walton"*

Director

*"Trevor Harding"*

Director

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

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**Taurus Gold Corp.****Condensed Interim Statements of Loss and Comprehensive Loss****(Unaudited – Prepared by Management)**

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**For the three and six months ended January 31, 2024 and January 31, 2023**

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		Three months ended		Six months ended	
		January 31, 2024	January 31, 2023	January 31, 2024	January 31, 2023
	Note	\$	\$	\$	\$
<b>Expenses</b>					
Consulting	7	81,513	4,189	126,057	7,053
General and administrative		17,901	9,809	58,587	11,331
Professional fees	7	13,727	67,107	24,227	277,021
Share-based compensation	6	-	38,500	90,300	301,400
Transfer agent and filing fees		32,617	15,646	39,450	56,322
Website costs		813	375	2,086	1,063
<b>Loss from operating expenses</b>		<b>(146,571)</b>	<b>(135,626)</b>	<b>(340,707)</b>	<b>(654,190)</b>
Other income on settlement of flow-through premium liability	6	-	-	<b>53,750</b>	-
Interest income		<b>900</b>	3,364	4,047	3,364
Interest expense	5	-	-	-	(450)
<b>Loss for the year before income taxes</b>		<b>(145,671)</b>	<b>(132,262)</b>	<b>(282,910)</b>	<b>(651,276)</b>
Deferred income tax expense (recovery)		-	8,000	-	67,000
<b>Loss and comprehensive loss for the period</b>		<b>(145,671)</b>	<b>(124,262)</b>	<b>(282,910)</b>	<b>(584,276)</b>
<b>Loss per share</b>					
<b>Weighted average number of common shares outstanding</b>					
- Basic #	6	<b>36,797,870</b>	36,797,870	<b>36,797,870</b>	34,760,105
- Diluted #	6	<b>36,797,870</b>	36,797,870	<b>36,797,870</b>	34,760,105
<b>Basic loss per share \$</b>					
	6	<b>(0.00)</b>	(0.00)	<b>(0.01)</b>	(0.02)
<b>Diluted loss per share \$</b>					
	6	<b>(0.00)</b>	(0.00)	<b>(0.01)</b>	(0.02)

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

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**Taurus Gold Corp.****Condensed Interim Statements of Changes in Shareholders' Equity****(Unaudited – Prepared by Management)****For the six months ended January 31, 2024 and January 31, 2023**

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	Common shares #	Share capital \$	Reserves \$	Deficit \$	Total \$
August 1, 2022	28,322,620	1,794,994	-	(500,229)	1,294,765
Private placement - flow-through units - IPO	1,075,000	268,750	-	-	268,750
Private placement - units - IPO	7,240,250	1,448,050	-	-	1,448,050
Flow-through premium	-	(53,750)	-	-	(53,750)
Share-based compensation	-	-	301,400	-	301,400
Compensation units issued	160,000	(32,000)	32,000	-	-
Compensation warrants issued	-	(81,400)	81,400	-	-
Share issuance costs - cash	-	(240,544)	-	-	(240,544)
Loss and comprehensive loss for the period	-	-	-	(584,276)	(584,276)
<b>January 31, 2023</b>	<b>36,797,870</b>	<b>3,104,100</b>	<b>414,800</b>	<b>(1,084,505)</b>	<b>2,434,395</b>
August 1, 2023	36,797,870	3,104,100	414,800	(1,199,811)	2,319,089
Share-based compensation	-	-	90,300	-	90,300
Loss and comprehensive loss for the period	-	-	-	(282,910)	(282,910)
<b>January 31, 2024</b>	<b>36,797,870</b>	<b>3,104,100</b>	<b>505,100</b>	<b>(1,482,721)</b>	<b>2,126,479</b>

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

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**Taurus Gold Corp.****Condensed Interim Statements of Cash Flows****(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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	Note	2024 \$	2023 \$
<b>Operating activities</b>			
Loss for the period		(282,910)	(584,276)
Items not involving cash:			
Share-based compensation		90,300	301,400
Unrealized foreign exchange		-	(9,401)
Flow through share premium		(53,750)	-
Deferred income tax expense (recovery)		-	(67,000)
Changes in non-cash working capital items:			
Prepaid expenses		(11,170)	(41,057)
Sales tax receivable		(13,980)	(17,608)
Accounts payable and accrued liabilities		15,802	(50,134)
		<b>(255,708)</b>	<b>(468,076)</b>
<b>Financing activities</b>			
Proceeds from issuance of common shares/units		-	1,716,800
Repayment of promissory notes		-	(140,000)
Share issuance costs		-	(240,544)
		-	1,336,256
<b>Investing activities</b>			
Exploration expenditures		(244,916)	(18,690)
Mineral property acquisition costs		-	(50,000)
		<b>(244,916)</b>	<b>(68,690)</b>
<b>Change in cash</b>		<b>(500,624)</b>	<b>799,490</b>
<b>Cash, beginning of period</b>		<b>623,509</b>	<b>1,194</b>
<b>Cash, end of period</b>		<b>122,885</b>	<b>800,684</b>

Supplemental cash flow information

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

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# **Taurus Gold Corp.**

## **Condensed Interim Notes to the Financial Statements**

**(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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### **1. NATURE AND CONTINUANCE OF OPERATIONS**

Taurus Gold Corp. (the "Company") was incorporated under the *Business Corporations Act* (Alberta) on March 26, 2019. The registered address, head office, principal address and records office of the Company are located at Suite 600, 815 – 8<sup>th</sup> Avenue S.W. Calgary, Alberta T2P 3P2. On September 15, 2022, the Company was approved for listing on the CSE under the symbol: TAUR, OTCQB: TARGF.

The Company is in the process of exploring its mineral property interests and has not yet determined whether its mineral property interests contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the mineral property interests.

These financial statements (the "financial statements") are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. As at January 31, 2024, the Company has recurring losses and has a working capital of \$112,899 and a cumulative deficit of \$1,482,721. In addition, the Company has not generated revenues from operations. The Company has financed its operations primarily through the issuance of common shares and shareholder advances in the form of unsecured promissory notes for working capital purposes. The Company will continue to require additional funding to maintain its ongoing exploration programs, property maintenance payments and operations and administration for the next fiscal year. The Company also recognizes that exploration expenditures may change with ongoing results and, as a result, it may be required to obtain additional financing. These uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

### **2. BASIS OF PREPARATION**

#### **Statement of Compliance**

These financial statements have been prepared in conformity with International Accounting Standard ("IAS") 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company's annual audited financial statements for the year ended July 31, 2023, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that these financial statements be read in conjunction with the annual audited financial statements.

#### **Basis of preparation**

These financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value, and have been prepared using the accrual basis of accounting, except for cash flow information.

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

### **3. SIGNIFICANT ACCOUNTING POLICIES**

#### **Use of estimates and judgments**

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent annual audited financial statements and are those the Company expects to adopt in its financial statements for the year ended July 31, 2023. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited financial statements.

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**Taurus Gold Corp.****Condensed Interim Notes to the Financial Statements****(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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**4. MINERAL PROPERTY INTERESTS**

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	Charlotte Project \$
<b>Balance, July 31, 2021</b>	<b>1,542,002</b>
Drilling	15,452
Geologist and consulting	18,991
<b>Balance, July 31, 2022</b>	<b>1,576,445</b>
Acquisition - cash	50,000
Helicopter	4,171
Geologist and consulting	250,784
<b>Balance, July 31, 2023</b>	<b>1,881,400</b>
Administrative	6,100
Assays	44,236
Geologist and consulting	58,481
<b>Balance, January 31, 2024</b>	<b>1,990,217</b>

Charlotte Property

On August 18, 2020 (the "Effective Date"), the Company entered into an option agreement ("Original Option Agreement") with 1011308 B.C. Ltd. ("1011308 BC") to acquire up to a 100% interest in 139 mineral claims in the Mt. Nansen Region West of Carmacks in the south-central Yukon, Canada.

Under the terms of the Original Option Agreement, within 60 days of the Effective Date, the Company was required to satisfy certain obligations preceding the earn-in activity:

- Payment of \$250,000 to 1011308 BC (the "Initial Payment"); and
- Issuance of 10,000,000 common shares to 1011308 BC at a price of \$0.05 per share (issued at a fair value of \$500,000) (note 6).

Within two years of the Effective Date, the Company was required satisfy certain additional obligations to acquire a 51% interest in the property (the "First Option"):

- Incur \$2,000,000 in exploration expenditures on the property; and
- Issuance of 10,000,000 common shares to 1011308 BC.

Within four years of the Effective Date, and subsequent to the Company completing the requirements of the First Option, the Company was required to satisfy certain additional obligations to acquire an additional 25% interest in the property (the "Second Option"):

- Incur an additional \$2,000,000 in exploration expenditures on the property; and
- Issuance of 10,000,000 common shares to 1011308 BC.

Within six years of the Effective Date, and subsequent to the Company completing the requirement of the Second Option, the Company was required to satisfy certain additional obligations to acquire the remaining 24% interest in the property (the "Third Option"):

- Incur an additional \$2,000,000 in exploration expenditures on the property;
- Issuance of 10,000,000 common shares to 1011308 BC; and
- Delivering a Preliminary Economic Assessment on the property to 1011308 BC.

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## Taurus Gold Corp.

### Condensed Interim Notes to the Financial Statements

(Unaudited – Prepared by Management)

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For the six months ended January 31, 2024 and January 31, 2023

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#### 4. MINERAL PROPERTY INTERESTS (continued)

Under the terms of the Original Option Agreement, certain principals of 1011308 BC retain a 3.0% net smelter return royalty, collectively ("NSR") on any commercial production on the property. In the event that the Company exercised the Third Option, the Company would have had the right to purchase one-third (1.0%) of the NSR for the purchase price of \$1,500,000 for a period of 90 days.

The Company issued 7,500,000 common shares to 1011308 BC on August 18, 2020. On October 18, 2020, the Company and 1011308 BC entered into an amending agreement, pursuant to which they agreed to extend the period in which the Company is required to make the Initial Payment to the earlier of (i) five (5) business days following closing of the Offering, and (ii) March 15, 2021. On March 15, 2021, the Company and 1011308 BC entered into a second amending agreement extending the deadline of the Initial Payment to March 15, 2022.

On March 14, 2022, the Company and 1011308 BC entered into an amended and restated option agreement (the "Amended and Restated Option Agreement") amending and restating the terms of the Original Option Agreement. Under the terms of the Amended and Restated Option Agreement, the Company has the right to acquire a 75% earned interest in the Charlotte Property by exercising the first option, with a second option to acquire the remaining 25%. The exercise of the first option is conditional upon the Company: (i) paying to 1011308 BC \$50,000 upon the earlier of five (5) business days following completion of the Offering and March 14, 2023; (ii) issuing 30,000,000 Common Shares to 1011308 BC, and (iii) incurring not less than \$1,500,000 in expenditures on or before March 14, 2024 (or making the equivalent payment of cash to 1011308 BC in lieu) (the "First Option Expenditure Amount"). For the purposes of the Company's requirement to incur the First Option Expenditure Amount, the Company and 1011308 BC have agreed that the expenditures in the amount of \$1,034,835 incurred during the term of the Original Option Agreement shall be included in the calculation of the First Option Expenditure Amount.

Under the terms of the Amended and Restated Option Agreement, the right of the Company to exercise the second option and acquire an additional 25% earned interest (100% total) in the Charlotte Property is conditional upon the Company, on or before March 14, 2026: (i) having exercised the first option and, concurrently with the delivery of the first option exercise notice, delivering written notice of the Company's intention to pursue the second option; (ii) the Company issuing an additional 10,000,000 Common Shares to 1011308 BC; (iii) the Company paying to 1011308 BC \$200,000; and (iv) the Company delivering a mineral resource estimate report to 1011308 BC, prepared in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

On May 26, 2022, the Company and the Optionor entered into the Second Amended and Restated Option Agreement, amending and restating the Amended and Restated Option Agreement. Under the terms of the Second Amended and Restated Option Agreement, the Company now has the right to acquire a 51% earned interest in the Charlotte Property by exercising the first option, with a second option to acquire 25% and a third option to acquire the remaining 24%. The exercise of the first option is conditional on the following: (i) The Corporation paying the Optionor \$50,000 (the "First Option Payment") (completed) on the earlier of: (i) five (5) Business Days following completion of the Offering, and (ii) the first anniversary of the Second Amended and Restated Option Agreement; (ii) The Corporation issuing 10,000,000 Common Shares to the Optionor; and (iii) The Corporation incurring not less than \$1,500,000 in expenditures on or before the second anniversary of the date of the Second Amended and Restated Option Agreement (or making the equivalent payment of cash to the Optionor in lieu) (the "First Option Expenditure Amount").

Under the terms of the Second Amended and Restated Option Agreement, the right of the Company to exercise the second option, on or before the fourth anniversary of the date of the Second Amended and Restated Option, and acquire an additional 25% earned interest (76% total earned interest) in the Charlotte Property is conditional on the following: (i) The Corporation having exercised the first option and, concurrently with the delivery of the first option exercise notice, delivering written notice to the Optionor stating its intention to pursue the second option; (ii) The Corporation issuing to, or as directed by, the Optionor, an additional 10,000,000 Common Shares on or before the fourth anniversary of the date of the Second Amended and Restated Option Agreement; (iii) The Corporation paying the Optionor \$200,000 on or before the fourth anniversary of the date of the Second Amended and Restated Option Agreement; and (iv) The Corporation incurring not less than

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**Taurus Gold Corp.****Condensed Interim Notes to the Financial Statements****(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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**4. MINERAL PROPERTY INTERESTS (continued)**

\$1,500,000 in additional expenditures on or before the fourth anniversary of the date of the Second Amended and Restated Option Agreement.

Under the terms of the Second Amended and Restated Option Agreement, the right of the Company to exercise the third option, on or before the sixth anniversary of the date of the Second Amended and Restated Option, and acquire the remaining 24% earned interest (100% total earned interest) in the Charlotte Property is conditional on the following: (i) The Corporation having exercised the second option and, concurrently with the delivery of the second option exercise notice, delivering written notice to the Optionor stating its intention to pursue the third option; (ii) The Corporation issuing to, or as directed by, the Optionor, an additional 10,000,000 Common Shares on or before the sixth anniversary of the date of the Second Amended and Restated Option Agreement; (iii) The Corporation incurring not less than \$1,500,000 in additional expenditures on or before the sixth anniversary of the date of the Second Amended and Restated Option Agreement; and (iv) The Corporation delivering the Resource Estimate Report to the Optionor on or before the sixth anniversary of the date of the Second Amended and Restated Option Agreement.

In the event the Company elects to earn less than a 100% interest in the Charlotte Property, the parties have agreed to form a joint venture to further explore and develop the Charlotte Property, all upon and subject to the terms and conditions set out in the Second Amended and Restated Option Agreement.

The Charlotte Property is subject to an existing 3% NSR payable to certain non-arm's length parties of the Corporation and Optionor. The NSR also applies to additional claims staked or otherwise acquired within a five-kilometre radius of the Charlotte Property. In the event that the Corporation exercises the third option pursuant to the Second Amended and Restated Option Agreement, the Company shall have the right to purchase one-third of the NSR by paying \$1,500,000.

As at January 31, 2024, amounts included in prepaid exploration which relate to geologist and consulting fees was \$23,363 (2023 - \$nil).

**5. PROMISSORY NOTES PAYABLE**

On November 3, 2021, the Company borrowed an aggregate of \$45,000 (the "2021 Loans") from certain existing shareholders of the Company, in each case evidenced by the issuance of unsecured, non-convertible promissory notes (each, a "Promissory Note") bearing an interest rate of 1% per month and repayment of the principal amount owing, plus any accrued and unpaid interest, at the earlier of: (i) the Offering, or (ii) November 3, 2022. The lenders are not able to demand repayment of the 2021 Loans before the maturity date, although the Company is permitted to prepay the 2021 Loans in whole or in part without notice or penalty.

During the year ended July 31, 2022, certain shareholders advanced an aggregate of \$95,000 under the same terms as the 2021 Loans, with a maturity date of March 11, 2023 (the "2022 Loans", and together with the 2021 Loans, the "Loans"). The Company has issued unsecured, non-convertible promissory notes evidencing the 2022 Loans and has issued amended and restated promissory notes to lenders of the 2021 Loans, as each existing lender advanced additional principal to the Company pursuant to the 2022 Loans. The amended promissory notes also extend the terms of the 2021 Loans to March 11, 2023. The Loans are not convertible into Common Shares or other securities of the Company.

As at January 31, 2024, principal plus accrued interest on the Loans totaled \$nil (July 31, 2023 - \$nil). All Loans have been repaid as at January 31, 2024.



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## **Taurus Gold Corp.**

### **Condensed Interim Notes to the Financial Statements**

**(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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#### **6. SHAREHOLDERS' EQUITY**

The authorized share capital of the Company consists of unlimited common and preferred shares without par value. All issued shares are fully paid.

##### **Issuances of common shares during the period ended January 31, 2023:**

- On September 14, 2022, the Company closed its initial public offering ("IPO"), in which it issued 8,315,250 units for total gross proceeds of \$1,716,800. The offered units of 7,240,250 non-flow-through units sold at a price of \$0.20 per common share unit and 1,075,000 flow-through units sold at a price of \$0.25 per flow-through unit. The flow-through units were issued at a premium to the trading value of the Company's common shares, which is a reflection of the value of the income tax write-offs that the Company will renounce to the flow-through shareholders. The premium was determined to be \$53,750 and has been recorded as a reduction of share capital.

An equivalent flow-through share premium liability has been recorded, which will be reversed pro-rata as the required exploration expenditures are incurred.

Each common share unit comprises one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.35 per common share until September 14, 2024. Each flow-through unit comprises one common share, which qualifies as a flow-through share pursuant to the Income Tax Act, and one-half of one warrant. The warrants were issued pursuant to a warrant indenture dated September 14, 2022, between the company and its warrant agent.

A commission fee and corporate finance fee in cash totaling \$240,544 and 160,000 common share units (fair value \$32,000). In addition, compensation unit purchase warrants of 665,220 ("Agent Warrants"), with each Agent Warrant entitling the holder to acquire one common share unit at the exercise price of \$0.20 for a period of 24 months following the closing date. The fair value of the Agent' Warrants was determined to be \$81,400 using the Black-Scholes option pricing model with the following inputs: i) exercise price: \$0.20; ii) share price: \$0.20; iii) term: 2 year; iv) volatility: 120%; v) discount rate: 2.0%.

##### **Issuances of common shares during the period ended January 31, 2024:**

- As at January 31, 2024, the Company has 7,207,501 escrowed securities. Pursuant to the escrowed provisions, 10% of the escrowed securities were released from escrow upon the common shares being listed on the CSE. The remaining 90% of the escrowed securities will be released from escrow in 15% tranches at 6-month intervals thereafter, over a period of 36 months.

## Taurus Gold Corp.

### Condensed Interim Notes to the Financial Statements

(Unaudited – Prepared by Management)

For the six months ended January 31, 2024 and January 31, 2023

#### 6. SHAREHOLDERS' EQUITY (continued)

##### Stock options

The Company has a stock option plan (the "Stock Option Plan"), whereby it can grant incentive stock options to Directors, Officers, employees, and consultants of the Company. The maximum number of shares that may be reserved for issuance under the Stock Option Plan is limited to 10% of the issued common shares of the Company on a non-diluted basis. The number of common shares that may be reserved for the issuance to any one individual upon exercise of all stock options held by any individual may not exceed 5% of the issued common shares. The vesting period for all stock options is at the discretion of the Board of Directors. The exercise price will be set by the Board of Directors at the time of grant and cannot be less than the discounted market price of the Company's common shares. All stock options granted under the Stock Option Plan will expire not later than the date that is ten years from the date that such stock options are granted.

##### Options

A summary of the status of the Company's Options as at January 31, 2024 and July 31, 2023 and changes during the period/year then ended is as follows:

	Period ended January 31, 2024		Year ended July 31, 2023	
	Options #	Exercise price \$	Options #	Exercise price \$
Options outstanding, beginning of period/year	1,925,000	0.24	-	-
Granted	750,000	0.20	1,925,000	0.24
<b>Options outstanding, end of period/year</b>	<b>2,675,000</b>	<b>0.23</b>	1,925,000	0.24

As at January 31, 2024, the Company had options outstanding and exercisable as follows:

Options outstanding #	Exercise price \$	Expiry date	Remaining life (years)
1,625,000	0.25	September 14, 2027	3.62
300,000	0.17	December 27, 2027	3.91
750,000	0.20	September 1, 2028	4.59
<b>2,675,000</b>			

On September 14, 2022, the Company granted 1,625,000 stock options with an exercise price of \$0.25 and a term of two years expiring on September 14, 2024. These options granted had a fair value of \$262,900 using the Black-Scholes option pricing model with the following assumptions: (i) exercise price of \$0.25, (ii) term of 2 years, (iii) expected volatility of 120%, and (iv) discount rate of 2.0%.

On December 27, 2022, the Company granted 300,000 stock options with an exercise price of \$0.17 and a term of five years expiring on December 27, 2027. These options granted had a fair value of \$38,500 using the Black-Scholes option pricing model with the following assumptions: (i) exercise price of \$0.17, (ii) term of 5 years, (iii) expected volatility of 120%, and (iv) discount rate of 3.25%.

On September 1, 2023, the Company granted 750,000 stock options with an exercise price of \$0.20 and a term of five years expiring on September 1, 2028. These options granted had a fair value of \$90,300 using the Black-Scholes option pricing model with the following assumptions: (i) exercise price of \$0.20, (ii) term of 5 years, (iii) expected volatility of 120%, and (iv) discount rate of 2.0%.

## Taurus Gold Corp.

### Condensed Interim Notes to the Financial Statements

(Unaudited – Prepared by Management)

For the six months ended January 31, 2024 and January 31, 2023

#### 6. SHAREHOLDERS' EQUITY (continued)

##### Warrants

A summary of the status of the Company's warrants as at January 31, 2024 and July 31, 2023 and changes during the period/year then ended is as follows:

	Period ended January 31, 2024		Year ended July 31, 2023	
	Warrants #	Exercise price \$	Warrants #	Exercise price \$
Warrants outstanding, beginning of period/year	7,402,845	0.25	2,500,000	0.10
Issued - compensatory warrants	-	-	665,220	0.20
Issued - warrants	-	-	4,237,625	0.35
<b>Warrants outstanding, end of period/year</b>	<b>7,402,845</b>	<b>0.25</b>	<b>7,402,845</b>	<b>0.25</b>

As at January 31, 2024, the Company had warrants outstanding and exercisable as follows:

Warrants outstanding #	Exercise price \$	Expiry date	Remaining life (years)
2,500,000	0.10	March 26, 2024	0.15 *
3,620,125	0.35	September 14, 2024	0.62
537,500	0.35	September 14, 2024	0.62
665,220	0.20	September 14, 2024	0.62
80,000	0.35	September 14, 2024	0.62
<b>7,402,845</b>			

\*2,500,000 warrants expired unexercised subsequent to January 31, 2024

On September 14, 2022, the Company issued 665,220 compensation warrant. The warrants were exercisable into a non-flow-through unit at a price of \$0.20 and had an expiration date of September 14, 2024. The warrants were fair valued at \$81,400 using the Black-Scholes option pricing model with the following assumptions: stock price of \$0.20, expected life of 2 years, expected volatility of 120%, no dividend yield and a risk-free discount rate of 2.0%.

##### Loss per share

The calculation of basic and diluted loss per share for the period ended January 31, 2024 was based on the net loss of \$282,910 (2023 – \$584,276) and a weighted average number of common shares outstanding of 34,760,105 (2023 – 34,760,105).

All warrants were excluded from the diluted weighted average number of shares calculation, as their effect would have been anti-dilutive.

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**Taurus Gold Corp.****Condensed Interim Notes to the Financial Statements****(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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**7. RELATED PARTY TRANSACTIONS**

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Executive Officers and Directors. Other related parties to the Company include companies in which key management have control or significant influence. Key management personnel receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company.

**Key management compensation**

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Executive Officers and Directors. Other related parties to the Company include companies in which key management have control or significant influence. Key management personnel receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company.

During the period January 31, 2024, 750,000 stock options were granted to a Director having a fair value on grant of \$90,300 recognized as share-based payment expense during the period then ended.

**Key management compensation**

Transactions with key management during the six months ended January 31, 2024:

- \$90,000 in consulting fees was paid or accrued to the Chief Executive Officer and Director of the Company; and
- \$28,739 in professional fees was paid or accrued to a company in which the Chief Financial Officer of the Company exerts significant influence.

Transactions with key management during the six months ended January 31, 2023:

- \$35,000 in consulting fees was paid or accrued to the Chief Executive Officer and Director of the Company;
- \$25,496 in professional fees was paid or accrued to a company in which the Chief Financial Officer of the Company exerts significant influence; and
- \$2,740 in consulting fees was paid or accrued to a Director of the Company.

As at January 31, 2024, \$16,929 (July 31, 2023 - \$7,580) is owing to key management and included in accounts payable and accrued liabilities.

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**Taurus Gold Corp.****Condensed Interim Notes to the Financial Statements****(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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**8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash, under the fair value hierarchy is based on Level 1 quoted prices in active markets for identical assets or liabilities.

**Financial risk factors**

The Company's risk exposures and the impact on the Company's financial statements are summarized below.

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at January 31, 2024, the Company had a cash balance of \$122,885 to settle current liabilities of \$60,827. All of the Company's financial liabilities have contractual maturities of less than one year or due on demand and are subject to normal trade terms. The Company will need to raise money through debt or equity issuances.

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. Such fluctuations may be significant.

i. Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at financial institutions is subject to a floating rate of interest. The interest rate risks on cash and on the Company's promissory notes payable obligations are not considered significant.

ii. Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payable and accrued liabilities that are denominated in a foreign currency. As at January 31, 2024, the Company did not have any accounts in foreign currencies and considers foreign currency risk insignificant.

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**Taurus Gold Corp.****Condensed Interim Notes to the Financial Statements****(Unaudited – Prepared by Management)**

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**For the six months ended January 31, 2024 and January 31, 2023**

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**9. CAPITAL MANAGEMENT**

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its adjusted capital which comprises all components of equity.

The Company sets the amount of capital in proportion to risk. 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 common shares through private placements. The Company is not exposed to any externally imposed capital requirements. The Company's overall strategy remains unchanged from July 31, 2023.

**10. SUPPLEMENTAL CASH FLOW INFORMATION**

The Company incurred non-cash financing and investing activities during the six months ended January 31, 2024 and January 31, 2023 as follows:

	<b>January 31, 2024 \$</b>	<b>January 31, 2023 \$</b>
Non-cash financing activities:		
Recognition of flow-through premium liability	-	53,750
Compensation warrants	-	113,400
	-	167,150
Non-cash investing activities:		
Mineral property costs included in accounts payable and accrued liabilities	3,780	4,381
	<b>3,780</b>	<b>4,381</b>

During the period ended January 31, 2024, and January 31, 2023 no amounts were paid on behalf of interest or income tax.

**11. SUBSEQUENT EVENT**

On February 7, 2024, the Company granted incentive stock options to directors, officers and consultants to acquire an aggregate of 900,000 common shares in the capital of the company at an exercise price of 20 cents per common share. Of these, 775,000 options were granted to directors and officers of the company. The options vest as follows: (i) 25 per cent three months from the date of grant; (ii) 25 per cent six months from the date of grant; (iii) 25 per cent nine months from the date of grant; and (iv) 25 per cent 12 months from the date of grant.

**Schedule “B”**

**Management’s Discussion and Analysis**

**[See attached]**

## **Taurus Gold Corp.**

### **Management Discussion and Analysis For the six months ended January 31, 2024**

The following discussion and analysis of the results of operations and financial condition of Taurus Gold Corp. ("Taurus") for the six months ended January 31, 2024 and should be read in conjunction with the Taurus unaudited condensed interim financial statements and related notes for six months ended January 31, 2024, and the audited financial statements and related notes for the year ended July 31, 2023 and July 31, 2022. The Taurus financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS").

Management is responsible for the preparation and integrity of the financial statements including the maintenance of appropriate information systems, procedures and internal controls. Management is also responsible for ensuring that information disclosed externally, including the financial statements and this Management Discussion and Analysis document ("MD&A") is complete and accurate.

The Taurus financial statements, MD&A and all other continuous disclosure documents are filed with Canadian securities regulators and are available for review under the Taurus profile at [www.sedar.com](http://www.sedar.com). This MD&A has been prepared effective as of March 28, 2024.

#### **FORWARD-LOOKING STATEMENTS**

Except for statements of historical fact, certain information contained herein constitutes forward-looking statements. Forward-looking statements are usually identified by Taurus's use of certain terminology, including "will", "believes", "may", "expects", "should", "seeks", "anticipates" or "intends" or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Taurus's actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements.

Forward-looking statements are statements that are not historical facts, and include but are not limited to, estimates and their underlying assumptions; statements regarding plans, objectives and expectations with respect to the effectiveness of Taurus's business model; future operations, products and services; the impact of regulatory initiatives on Taurus's operations; the size of and opportunities related to the market for Taurus's products; general industry and macroeconomic growth rates; expectations related to possible joint or strategic ventures; and statements regarding future performance.

Forward-looking statements used in this MD&A are subject to various risks and uncertainties, most of which are difficult to predict and generally beyond the control of Taurus. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the actual results may vary materially from those expected, estimated or projected. Forward-looking statements in this MD&A are not a prediction of future events or circumstances and those future events or circumstances may not occur. Given these uncertainties, the reader of the information included herein is cautioned not to place undue reliance on such forward-looking statements.

#### **DESCRIPTION OF BUSINESS**

Taurus is in the business of mineral exploration with an emphasis on precious and base metals. At January 31, 2024, Taurus had interests in one mineral exploration property, the Charlotte property, located in central Yukon Territory, Canada.

#### **OVERALL PERFORMANCE AND RISK FACTORS**

Taurus does not own interests in any producing mines. At present, management is concentrating most of its efforts on advancing its Charlotte project. See "Property Transactions and Exploration" for additional information.

On June 28, 2022, the Company filed and obtained receipt for their long-form prospectus offering and concurrent listing on the Canadian Securities Exchange (the "CSE").

The Company initially filed a (final) prospectus on June 14, 2021 (the "Prospectus") to qualify an offering to the public of units (the "Units") of the Company at a price of \$0.25 per Unit for gross proceeds of \$2,000,000 (the "Offering"). Each Unit was comprised of one common share in the capital of the Company and one common share purchase warrant entitling the holder to acquire one common share at a price of \$0.40 per share until the date that is twenty-four months following closing of the Offering. On November 10, 2021, the Company filed a second amended and restated prospectus, which amended and restated the amended and restated prospectus of the Company dated September 9, 2021, which had amended and restated the Prospectus. The second amended and restated prospectus amended the terms of the Offering such that the Company would complete the Offering for \$2,000,000 comprising a combination of up to a maximum of 4,000,000 flow-through units ("Flow-Through Units") at a price of \$0.25 per Flow-Through Unit, each Flow-Through Unit comprising one common share ("Common Share") which qualifies as a "flow-through share"



pursuant to the Income Tax Act (Canada), and one half of one Common Share purchase warrant (each whole warrant, a "Flow-Through Unit Warrant") exercisable at a price of \$0.40 per Common Share for a period of 24 months), and a combination of a minimum of 5,000,000 and up to a maximum of 10,000,000 Common Share units ("Common Share Units", and together with the "Flow-Through Units", the "Offered Units") at a price of \$0.20 per Common Share Unit, each Common Share Unit comprising one Common Share and one half of one Common Share purchase warrant (each whole warrant, a "Common Share Unit Warrant", and collectively with the Flow-Through Unit Warrants, the "Offered Warrants"), with each Common Share Unit Warrant exercisable at a price of \$0.35 per Common Share for a period of 24 months following completion of the Offering.

The Company had received conditional approval to list the common shares issuable pursuant to the Offering on the Canadian Securities Exchange (the "CSE"). Listing was be subject to the Company fulfilling all of the listing requirements of the CSE, including prescribed distribution and financial requirements.

The Company was unable to complete the Offering, and the distribution period under the Prospectus expired. In addition, the CSE's conditional approval had lapsed.

On March 16, 2022 the Company filed a preliminary long-form prospectus dated March 14, 2022 (the "2022 Prospectus"), with the securities regulatory authorities in the provinces of Alberta, British Columbia, and Ontario to qualify the distribution to the public of a combination of a minimum of 5,000,000 and up to a maximum of 7,500,000 Common Share Units and up to a maximum of 2,000,000 Flow Through Units, at a price of \$0.20 per Common Share Unit and \$0.25 per Flow-Through Unit, for total proceeds of \$1,500,000 (the "2022 Offering"). Concurrently with the filing of the 2022 Prospectus, the Company applied to list its Common Shares on the CSE.

Under the 2022 Offering, each Common Share Unit is comprised of one Common Share and one half of one Common Share purchase warrant (each whole warrant, a "Warrant") entitling the holder to acquire one Common Share at a price of \$0.35 per Common Share until the date that is twenty-four (24) months following the closing of the Offering. Each Flow-Through Unit is comprised of one Common Share which qualifies as a "flow-through share" pursuant to the *Income Tax Act* (Canada) and one half of one Warrant. The Company does not intend to list the warrants on the CSE or any other stock exchange.

#### **SELECTED ANNUAL INFORMATION**

	<b>July 31, 2023</b>	<b>July 31, 2022</b>
Revenues	Nil	Nil
Net (Loss)	(\$699,582)	(\$138,607)
Net (Loss) per Share - Basic and Diluted	(0.02)	(0.00)
Total Assets	\$2,583,963	\$1,601,855
Total Long-term Financial Liabilities	Nil	Nil
Cash Dividends Declared per Share	Nil	Nil

Total assets increased from 2022 to 2023 by approximately \$982,000, mainly due to proceeds received from equity financings, which have been spent on mineral property interests and general operating expenses in connection with the Company's public company listing. Net loss increased due to the Company completion of their long-form prospectus offering and concurrent listing on the CSE.

**SUMMARY FINANCIAL INFORMATION**

The following table shows the results for the last quarter compared to those from the previous seven quarters.

<b>Period Ending</b>	<b>Revenues</b>	<b>Income (Loss)</b>	<b>Income (Loss) per Share</b>
January 31, 2024	Nil	(145,671)	(\$0.00)
October 31, 2023	Nil	(137,239)	(\$0.00)
July 31, 2023	Nil	(85,379)	(\$0.00)
April 30, 2023	Nil	(29,927)	(\$0.00)
January 31, 2023	Nil	(124,262)	(\$0.00)
October 31, 2022	Nil	(460,014)	(\$0.01)
July 31, 2022	Nil	(31,338)	(\$0.00)
April 30, 2022	Nil	(50,287)	(\$0.00)

**RESULTS OF OPERATIONS****Six months ended January 31, 2024 and 2023**

The Company incurred a net and comprehensive loss of \$282,910 for the period ended January 31, 2024 compared to comprehensive loss \$584,276 for the comparable period. The Company had an decreased operating activity for the period ended January 31, 2024 versus the period ended January 31, 2023, as illustrated by a decrease in operating expenses of approximately \$313,000 from approximately \$654,000 in the period ended January 31, 2023 to approximately \$341,000 for the current period. The Company's current period operating expenses were largely different with those incurred during the period ended January 31, 2023.

Within operating expenses, the most notable variations pertained to the following:

- Increase of approximately \$119,000 in consulting, from approximately \$7,000 during the period ended January 31, 2023 to approximately \$126,000 for the current period ended January 31, 2024 due to increased activity to support the public listing, and increased fees for the new Chief Executive Officer;
- Decrease of approximately \$253,000 in professional fees, from approximately \$277,000 during the period ended January 31, 2023 to approximately \$24,000 for the period ended January 31, 2024 due to decreased activity regarding the IPO and listing coordination in relation to the prospectus offering which included legal fees in the amount of approximately \$147,000 in the prior period;
- Decrease of approximately \$17,000 in transfer agent and filing fees from approximately \$56,000 during the period ended January 31, 2023 to approximately \$39,000 for the period ended January 31, 2024 due to the initial filing regarding the IPO and prospectus offering in fiscal 2022 which incurred \$10,000 related to the listing fees on the CSE and OTC Markets listings which incurred approximately \$42,000; and
- Decrease of approximately \$173,000 in share-based compensation from approximately \$263,000 during the period ended January 31, 2023 to approximately \$90,000 for the current period ended January 31, 2024 due to options granted to insiders of the Company.

All other operating expenses were comparable between periods.

**Three months ended January 31, 2024 and 2023**

The Company incurred a net and comprehensive loss of \$145,671 for the period ended January 31, 2024 compared to comprehensive loss \$124,262 for the comparable period. The Company had an increased operating activity for the period ended January 31, 2024 versus the period ended January 31, 2023, as illustrated by a increase in operating expenses of approximately \$11,000 from approximately \$136,000 in the period ended January 31, 2023 to approximately \$147,000 for the current period. The Company's current period operating expenses were largely different with those incurred during the period ended January 31, 2023.

Within operating expenses, the most notable variations pertained to the following:

- Increase of approximately \$77,000 in consulting, from approximately \$4,000 during the period ended January 31, 2023 to approximately \$82,000 for the current period ended January 31, 2024 due to increased activity to support the public listing, and increased fees for the new Chief Executive Officer;
- Decrease of approximately \$53,000 in professional fees, from approximately \$67,000 during the period ended January 31, 2023 to approximately \$14,000 for the period ended January 31, 2024 due to decreased activity regarding the IPO and listing coordination in relation to the prospectus offering which included legal fees in the amount of approximately \$27,000 in the prior period;
- Increase of approximately \$17,000 in transfer agent and filing fees from approximately \$16,000 during the period ended January 31, 2023 to approximately \$33,000 for the period ended January 31, 2024 due to the initial filing regarding the IPO and prospectus offering in fiscal 2022 which incurred \$6,000 related to the CDS listing fees; and
- Decrease of approximately \$39,000 in share-based compensation from approximately \$39,000 during the period ended January 31, 2023 to approximately \$nil for the current period ended January 31, 2024 due to no options granted to insiders of the Company.

All other operating expenses were comparable between periods.

## **LIQUIDITY AND CAPITAL RESOURCES**

During the period ended January 31, 2024, the Company's cash outflows were approximately \$251,000 in respect of operating activities, compared to approximately \$468,000 for the comparative period ended January 31, 2023. Further, the Company realized \$nil in cash flows from financing activities for the period ended January 31, 2024, compared to approximately \$1,336,300 via the issuance of units in connection to the IPO for the comparative period ended January 31, 2023 which comprised repayments to promissory notes. Lastly, the Company expended approximately \$245,000 in cash on investing activities associated with the exploration of the Company's mineral property interests and exploration activities on the Company's Charlotte Project. The Company expended approximately \$69,000 on exploration and evaluation activities during the comparative period ended January 31, 2023.

The Company has relied on cash from financing activities to support its operations and investments.

On January 31, 2024, the Company was in a working capital surplus position.

### **(a) Working Capital**

The Company had working capital surplus in the amount of \$112,899 as at January 31, 2024, compared to working capital surplus of \$384,326 at July 31, 2023. See "Risks and Uncertainties" for additional information.

### **(b) September 2022 IPO**

On September 14, 2022, the Company closed its initial public offering ("IPO"), in which it issued 8,315,250 units for total gross proceeds of \$1,716,800. The offered units of 7,240,250 non-flow-through units sold at a price of \$0.20 per common share unit and 1,075,000 flow-through units sold at a price of \$0.25 per flow-through unit. The flow-through units were issued at a premium to the trading value of the Company's common shares, which is a reflection of the value of the income tax write-offs that the Company will renounce to the flow-through shareholders. The premium was determined to be \$53,750 and has been recorded as a reduction of share capital.

An equivalent flow-through share premium liability has been recorded, which has been reversed pro-rata as the required exploration expenditures have been incurred.

Each common share unit comprises one common share in the capital of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of \$0.35 per common share until September 14, 2024. Each flow-through unit comprises one common share, which qualifies as a flow-through share pursuant to the Income Tax Act, and one-half of one warrant. The warrants were issued pursuant to a warrant indenture dated September 14, 2022, between the company and its warrant agent.

A commission fee and corporate finance fee in cash totaling \$240,544 and 160,000 common share units (fair value \$32,000). In addition, compensation unit purchase warrants of 665,220 ("Agent Warrants"), with each Agent Warrant entitling the holder to acquire one common share unit at the exercise price of \$0.20 for a period of 24 months following the closing date. The fair value of the Agent Warrants was determined to be \$81,400 using the Black-Scholes option pricing model with the following inputs: i) exercise price: \$0.20; ii) share price: \$0.20; iii) term: 2 year; iv) volatility: 120%; v) discount rate: 2.0%.

## **PROMISSORY NOTES PAYABLE**

On November 3, 2021, the Company borrowed an aggregate of \$45,000 (the "2021 Loans") from certain existing shareholders of the Company, in each case evidenced by the issuance of unsecured, non-convertible promissory notes (each, a "Promissory Note") bearing an interest rate of 1% per month and repayment of the principal amount owing, plus any accrued and unpaid interest, at the earlier of: (i) the Offering, or (ii) November 3, 2022. The lenders are not able to demand repayment of the 2021 Loans before the maturity date, although the Company is permitted to prepay the 2021 Loans in whole or in part without notice or penalty.

During the year ended July 31, 2022, certain shareholders advanced an aggregate of \$95,000 under the same terms as the 2021 Loans, with a maturity date of March 11, 2023 (the "2022 Loans", and together with the 2021 Loans, the "Loans"). The Company has issued unsecured, non-convertible promissory notes evidencing the 2022 Loans and has issued amended and restated promissory notes to lenders of the 2021 Loans, as each existing lender advanced additional principal to the Company pursuant to the 2022 Loans. The amended promissory notes also extend the terms of the 2021 Loans to March 11, 2023. The Loans are not convertible into Common Shares or other securities of the Company.

As at January 31, 2024, principal plus accrued interest on the Loans totaled \$nil (January 31, 2023 - \$nil). All Loans have been repaid as at July 31, 2023.

## **OFF-BALANCE SHEET ARRANGEMENTS**

Taurus does not utilize off-balance sheet arrangements.

## **TRANSACTIONS WITH RELATED PARTIES**

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Executive Officers and Directors. Other related parties to the Company include companies in which key management have control or significant influence. Key management personnel receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company.

### **Key management compensation**

Key management personnel include those persons having the authority and responsibility of planning, directing and executing the activities of the Company. The Company has determined that its key management personnel consist of its Executive Officers and Directors. Other related parties to the Company include companies in which key management have control or significant influence. Key management personnel receive no salaries, non-cash benefits (other than incentive stock options), or other remuneration directly from the Company.

During the period January 31, 2024, 750,000 stock options were granted to a Director having a fair value on grant of \$90,300 recognized as share-based payment expense during the period then ended.

### **Key management compensation**

Transactions with key management during the six months ended January 31, 2024:

- \$90,000 in consulting fees was paid or accrued to the Chief Executive Officer and Director of the Company; and
- \$28,739 in professional fees was paid or accrued to a company in which the Chief Financial Officer of the Company exerts significant influence.

Transactions with key management during the six months ended January 31, 2023:

- \$35,000 in consulting fees was paid or accrued to the Chief Executive Officer and Director of the Company;
- \$25,496 in professional fees was paid or accrued to a company in which the Chief Financial Officer of the Company exerts significant influence; and
- \$2,740 in consulting fees was paid or accrued to a Director of the Company.

As at January 31, 2024, \$16,929 (July 31, 2023 - \$7,580) is owing to key management and included in accounts payable and accrued liabilities.

## **RISKS AND UNCERTAINTIES**

In conducting its business, Taurus faces a number of risks and uncertainties related to the mineral exploration industry. Some of these risk factors include risks associated with land title, exploration and development, government and environmental regulations, permits and licenses, competition, fluctuating metal prices, the requirement and ability to raise additional capital through future financings and price volatility of publicly traded securities. See "Risk Factors" in the Prospectus (as defined below).

**(a) Title Risks**

Although Taurus has exercised due diligence with respect to determining title to the properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. Third parties may have valid claims underlying portions of Taurus's interests. Its claims, permits or tenures may be subject to prior unregistered agreements or transfers or to native land claims. Title to the claims, permits or tenures comprising Taurus's properties may also be affected by undetected defects. If a title defect exists, it is possible that Taurus may lose all or part of its interest in the property to which such defect relates.

**(b) Exploration and Development**

Resource exploration and development is a highly speculative business, characterized by a number of significant risks including, but not limited to, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production.

**(c) Environmental Regulations, Permits and Licenses**

Taurus's operations may be subject to environmental regulations promulgated by government agencies from time to time. Environmental legislation provides for restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailings disposal areas that would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. In addition, certain types of operations require the submission and approval of environmental impact assessments. Environmental legislation is evolving in a manner that means standards are stricter, and enforcement, fines and penalties for noncompliance are more stringent.

**(d) Competition**

The mineral exploration industry is intensely competitive in all its phases and Taurus competes with other companies that have greater financial and technical resources. Competition could adversely affect Taurus's ability to acquire suitable properties or prospects in the future.

**(e) Fluctuating Metal Prices**

Factors beyond the control of Taurus have a direct effect on global metal prices, which have fluctuated widely, particularly in recent years. Consequently, the economic viability of any of Taurus's exploration projects and Taurus's ability to finance the development of its projects cannot be accurately predicted and may be adversely affected by fluctuations in metal prices.

**(f) Future Financings**

Taurus's continued operation will be dependent in part upon its ability to generate operating income and to procure additional financing. To date, Taurus has done so through debt and equity financing.

Fluctuations of global equity markets can have a direct effect on the ability of exploration companies, including Taurus, to finance project acquisition and development through the equity markets. There can be no assurance that funds from Taurus's current financing sources can be generated or that other forms of financing can be obtained at a future date. Failure to obtain additional financing on a timely basis may cause Taurus to postpone exploration or development plans, forfeit rights in some or all of the properties or joint ventures, or reduce or terminate some or all of its operations.

**CRITICAL ACCOUNTING ESTIMATES**

Taurus's significant and future accounting policies are detailed in Note 3 to the audited financial statements for the year ended July 31, 2023 and July 31, 2022.

**INVESTOR RELATIONS**

All investor relations functions are performed by Taurus management and employees.

**PROPERTY TRANSACTIONS AND EXPLORATION**

Taurus is focused on growth through the acquisition and systematic advancement of established mineral exploration projects. Taurus's current exploration and development focus is its Charlotte property, located in the central Yukon Territory.

## **Charlotte Property**

The Charlotte property is comprised of 140 full or fractional mineral claims and leases and covers an area of 2,357 hectares (approximately 23 km<sup>2</sup>) within the Whitehorse Mining District. The property is located within the traditional territory of the Little Salmon/Carmacks First Nation and lies 60 km west of the community of Carmacks. The property is road accessible and is situated in the Dawson Range mining camp characterized by multiple styles of mineralization and active placer gold mining operations.

The Charlotte property hosts low-sulphidation type epithermal quartz-sulphide veins and breccias within northwesterly-trending structural zones, adjacent or proximal to mineralized porphyry intrusive rocks. Porphyry style mineralization is found on the north end of the Charlotte property. The precious metal vein and porphyry style mineralization at the Charlotte property conforms to established porphyry to epithermal style transition models that can be applied globally and in the Dawson Range area.

The Charlotte property is host to several mineralized zones of interest, including the Huestis, Webber, and Flex precious metal vein systems in the southern part of the property and under-explored porphyry copper mineralization in the northwest. Modern resource estimates in accordance with NI 43-101 have not been calculated for any of the mineralized zones on the Charlotte property.

The main zone of interest since 2010 has been the Flex Zone, which is defined by a network of north-northwesterly trending mineralized quartz veins located in a structural zone. Gold mineralization occurs in two or three parallel, sheeted, SW dipping epithermal quartz vein systems. The Flex Zone has been delineated over a strike length of 550 metres and is open at depth, down plunge, and along strike to the north and south.

A total of 123 historical drill holes currently delineate the Flex Zone, with a total of 7,007 downhole gold assays compiled in the database with an average downhole length of 1.2 m. Taurus initiated their maiden exploration drill program in September, 2020, to further evaluate the Flex zone. The program consisted of 2,347.1 metres of diamond drilling (HQ size) in eleven holes on the Flex gold-silver vein system, with hole depths ranging from 161.5 metres to 274.4 metres (see November 12, 2020 news release).

## **Option Agreement and Amended and Restated Option Agreement**

On August 18, 2020 (the "Effective Date"), the Company entered into an option agreement ("Original Option Agreement") with 1011308 B.C. Ltd. ("1011308 BC") to acquire up to a 100% interest in 139 mineral claims in the Mt. Nansen Region West of Carmacks in the south-central Yukon, Canada.

Under the terms of the Original Option Agreement, within 60 days of the Effective Date, the Company was required to satisfy certain obligations preceding the earn-in activity:

- Payment of \$250,000 to 1011308 BC (the "Initial Payment"); and
- Issuance of 10,000,000 common shares to 1011308 BC at a price of \$0.05 per share (issued at a fair value of \$500,000).

Within two years of the Effective Date, the Company was required satisfy certain additional obligations to acquire a 51% interest in the property (the "First Option"):

- Incur \$2,000,000 in exploration expenditures on the property; and
- Issuance of 10,000,000 common shares to 1011308 BC.

Within four years of the Effective Date, and subsequent to the Company completing the requirements of the First Option, the Company was required to satisfy certain additional obligations to acquire an additional 25% interest in the property (the "Second Option"):

- Incur an additional \$2,000,000 in exploration expenditures on the property; and
- Issuance of 10,000,000 common shares to 1011308 BC.

Within six years of the Effective Date, and subsequent to the Company completing the requirement of the Second Option, the Company was required to satisfy certain additional obligations to acquire the remaining 24% interest in the property (the "Third Option"):

- Incur an additional \$2,000,000 in exploration expenditures on the property;
- Issuance of 10,000,000 common shares to 1011308 BC; and
- Delivering a Preliminary Economic Assessment on the property to 1011308 BC.

Under the terms of the Original Option Agreement, certain principals of 1011308 BC retain a 3.0% net smelter return royalty, collectively ("NSR") on any commercial production on the property. In the event that the Company exercised the Third Option, the Company would have had the right to purchase one-third (1.0%) of the NSR for the purchase price of \$1,500,000 for a period of 90 days.

The Company issued 7,500,000 common shares to 1011308 BC on August 18, 2020. On October 18, 2020, the Company and 1011308 BC entered into an amending agreement, pursuant to which they agreed to extend the period in which the Company is required to make the Initial Payment to the earlier of (i) five (5) business days following closing of the Offering, and (ii) March 15, 2021. On March 15, 2021, the Company and 1011308 BC entered into a second amending agreement extending the deadline of the Initial Payment to March 15, 2022.

On March 14, 2022, the Company and 1011308 BC entered into an amended and restated option agreement (the "Amended and Restated Option Agreement") amending and restating the terms of the Original Option Agreement. Under the terms of the Amended and Restated Option Agreement, the Company has the right to acquire a 75% earned interest in the Charlotte Property by exercising the first option, with a second option to acquire the remaining 25%. The exercise of the first option is conditional upon the Company: (i) paying to 1011308 BC \$50,000 upon the earlier of five (5) business days following completion of the Offering and March 14, 2023; (ii) issuing 30,000,000 Common Shares to 1011308 BC, and (iii) incurring not less than \$1,500,000 in expenditures on or before March 14, 2024 (or making the equivalent payment of cash to 1011308 BC in lieu) (the "First Option Expenditure Amount"). For the purposes of the Company's requirement to incur the First Option Expenditure Amount, the Company and 1011308 BC have agreed that the expenditures in the amount of \$1,034,835 incurred during the term of the Original Option Agreement shall be included in the calculation of the First Option Expenditure Amount.

Under the terms of the Amended and Restated Option Agreement, the right of the Company to exercise the second option and acquire an additional 25% earned interest (100% total) in the Charlotte Property is conditional upon the Company, on or before March 14, 2026: (i) having exercised the first option and, concurrently with the delivery of the first option exercise notice, delivering written notice of the Company's intention to pursue the second option; (ii) the Company issuing an additional 10,000,000 Common Shares to 1011308 BC; (iii) the Company paying to 1011308 BC \$200,000; and (iv) the Company delivering a mineral resource estimate report to 1011308 BC, prepared in accordance with National Instrument 43-101 - *Standards of Disclosure for Mineral Projects*.

On May 26, 2022, the Company and the Optionor entered into the Second Amended and Restated Option Agreement, amending and restating the Amended and Restated Option Agreement. Under the terms of the Second Amended and Restated Option Agreement, the Company now has the right to acquire a 51% earned interest in the Charlotte Property by exercising the first option, with a second option to acquire 25% and a third option to acquire the remaining 24%. The exercise of the first option is conditional on the following: (i) The Corporation paying the Optionor \$50,000 (the "First Option Payment") on the earlier of: (i) five (5) Business Days following completion of the Offering, and (ii) the first anniversary of the Second Amended and Restated Option Agreement (completed); (ii) The Corporation issuing 10,000,000 Common Shares to the Optionor; and (iii) The Corporation incurring not less than \$1,500,000 in expenditures on or before the second anniversary of the date of the Second Amended and Restated Option Agreement (or making the equivalent payment of cash to the Optionor in lieu) (the "First Option Expenditure Amount").

Under the terms of the Second Amended and Restated Option Agreement, the right of the Company to exercise the second option, on or before the fourth anniversary of the date of the Second Amended and Restated Option, and acquire an additional 25% earned interest (76% total earned interest) in the Charlotte Property is conditional on the following: (i) The Corporation having exercised the first option and, concurrently with the delivery of the first option exercise notice, delivering written notice to the Optionor stating its intention to pursue the second option; (ii) The Corporation issuing to, or as directed by, the Optionor, an additional 10,000,000 Common Shares on or before the fourth anniversary of the date of the Second Amended and Restated Option Agreement; (iii) The Corporation paying the Optionor \$200,000 on or before the fourth anniversary of the date of the Second Amended and Restated Option Agreement; and (iv) The Corporation incurring not less than \$1,500,000 in additional expenditures on or before the fourth anniversary of the date of the Second Amended and Restated Option Agreement.

Under the terms of the Second Amended and Restated Option Agreement, the right of the Company to exercise the third option, on or before the sixth anniversary of the date of the Second Amended and Restated Option, and acquire the remaining 24% earned interest (100% total earned interest) in the Charlotte Property is conditional on the following: (i) The Corporation having exercised the second option and, concurrently with the delivery of the second option exercise notice, delivering written notice to the Optionor stating its intention to pursue the third option; (ii) The Corporation issuing to, or as directed by, the Optionor, an additional 10,000,000 Common Shares on or before the sixth anniversary of the date of the Second Amended and Restated Option Agreement; (iii) The Corporation incurring not less than \$1,500,000 in additional expenditures on or before the sixth anniversary of the date of the Second Amended and Restated Option Agreement; and (iv) The Corporation delivering the Resource Estimate Report to the Optionor on or before the sixth anniversary of the date of the Second Amended and Restated Option Agreement.

In the event the Company elects to earn less than a 100% interest in the Charlotte Property, the parties have agreed to form a joint venture to further explore and develop the Charlotte Property, all upon and subject to the terms and conditions set out in the Second Amended and Restated Option Agreement.

The Charlotte Property is subject to an existing 3% NSR payable to certain non-arm's length parties of the Corporation and Optionor. The NSR also applies to additional claims staked or otherwise acquired within a five-kilometre radius of the Charlotte Property. In the event that the Corporation exercises the third option pursuant to the Second Amended and Restated Option Agreement, the Company shall have the right to purchase one-third of the NSR by paying \$1,500,000.

As at January 31, 2024, amounts included in prepaid exploration was \$23,363 (2022 - \$nil).

### 2020 Drill Program

In September 2020 Taurus began a \$1.1 million drill program on the road-accessible Flex Zone. The drill program was designed to expand the Flex Zone and further test the down-plunge extend of known mineralized zones. Drilling started on September 12, 2020 and consisted of 2,347.1 m of diamond drilling (HQ size) in eleven holes, with hole depths ranging from 161.5 m to 274.4 m. Drilling was completed on October 2, 2020. Core logging and sampling in camp continued in the field until camp demobilization on October 26, with processed core samples sent for analysis to MSA Analytical Laboratory in Langley City, British Columbia.

COVID safety protocols were followed during the drill program. Rigorous field procedures were followed to ensure QA/QC measures, including routinely inserting one of up to five different Certified Reference materials and duplicates (quarter core). QA/QC samples were systematically inserted in the sample stream, generally on the basis of one control sample per twenty field samples. Downhole directional surveys were taken at an average of 30 to 50 m. Samples were transported by bonded courier to the MSA lab for processing.

The 2020 drill program successfully extended areas of high-grade gold-silver mineralization at the Flex Zone to the west, south, to depth and down plunge. Mineralization remains open in all directions and presents new targets for future drilling. The 2020 drill results provide a high priority target for future drill campaigns.

### 2021 Exploration Program

Taurus commissioned a high-precision DGPS collar survey of the drill holes at the Flex Zone on August 4, 2021. The work program also included a drone orthophotomosaic survey to provide detailed imaging over the entire property. A Digital Elevation Model was constructed at 50cm resolution as well as a DEM hillshade surface in digital format.

### 2023 Exploration Program

Taurus completed a summer exploration program on the Charlotte property with the goal of discovery of new epithermal vein sets in under-explored areas, determine the linkage between epithermal veins and intrusive host rocks in the north part of the property, and investigate surface expression of suspected structural controls on soil anomalism. The comprehensive program focused on 4 grid areas where precious metal soil anomalism remains unexplained. The work included 50 line-km of targeted magnetometer and VLF ground geophysical surveys, soil sampling, mapping, and prospecting. The field work was conducted from a base camp on the property and concentrated efforts on high-priority target areas including the Eliza Creek Extension, Discovery Creek, GRW Zone, and the newly acquired ED claim.

The high-priority targets were selected after analysis of an extensive historical dataset within the underexplored regions of the Charlotte property. The Discovery, Eliza West and GRW grids were designed to determine the presence of soil geochemical signatures representing epithermal mineralization related to mineralized porphyry systems. The Ed F grid was designed to complete detailed soil geochemical surveying across the Ed F claim, staked and incorporated into the Charlotte property in February, 2023. Geological mapping and rock sampling were designed to confirm that the property covers portions of a porphyry-style mineralized system covering the highly prospective Cyprus Porphyry.

The 2023 exploration program was successful in highlighting the prospectivity of under-explored areas on the Charlotte Property, including the new Ed claim area which sites immediately north of the Flex Zone. Additional detailed mapping and prospecting will focus on the highlighted rock results, including the Ed grid area, the area to the east of Ed Grid, the Cabin zone to the west of the Flex Zone, and other highly promising areas.

The 2023 Assessment Report as required for claim maintenance was filed on February 29, 2024 and received and accepted by the Yukon Geological Survey.

### **TECHNICAL REVIEW**

Technical information disclosed in this MD&A has been approved by the Ken MacDonald, P.Geo. , a “Qualified Person” as defined by National Instrument 43-101 – Standards of Disclosure for Mineral Projects.



## **SHARE CAPITAL INFORMATION**

The authorized share capital of Taurus consists of the following classes of shares:

- (a) an unlimited number of common shares without par value; and
- (b) an unlimited number of preferred shares without par value.

As of January 31, 2024, the Company had 36,797,870 common shares outstanding. As of the date of this MD&A the Company had 36,797,870 common shares outstanding.

### **Stock Options**

As of January 31, 2024, the Company had 2,675,000 stock options outstanding. As of the date of this MD&A the Company had 3,575,000 stock options outstanding.

### **Warrants**

As of January 31, 2024, the Company had the 7,402,845 share purchase warrants outstanding. As of the date of this MD&A the Company had 4,902,845 warrants outstanding.

### **Events after the reporting period**

On February 7, 2024, the Company granted incentive stock options to directors, officers and consultants to acquire an aggregate of 900,000 common shares in the capital of the company at an exercise price of 20 cents per common share. Of these, 775,000 options were granted to directors and officers of the company. The options vest as follows: (i) 25 per cent three months from the date of grant; (ii) 25 per cent six months from the date of grant; (iii) 25 per cent nine months from the date of grant; and (iv) 25 per cent 12 months from the date of grant.

## **DISCLOSURE CONTROLS AND PROCEDURES**

Venture issuers are not required to include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in National Instrument 52-109 Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109"). In particular, the Company's certifying officers are not making any representations relating to the establishment and maintenance of:

- i. controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted under securities legislation are recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii. a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Company's generally accepted accounting principles.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they make. Investors should be aware that inherent limitations on the ability of the Company's certifying officers to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.