



CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the Three Months Ended November 30, 2023 and 2022
(In Canadian Dollars)

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

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying condensed interim consolidated financial statements of the Tocvan Ventures Corp. (the “Company”) have been prepared by management and approved by the Board of Directors of the Company. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

January 29, 2024

TOCVAN VENTURES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited, Expressed in Canadian Dollars)

	Note	November 30, 2023	August 31, 2023
ASSETS			
CURRENT			
Cash		\$ 362,955	\$ 20,825
Receivables	5	117,795	134,859
Prepaid expenses	6	30,522	64,187
Financial asset	4	697,105	1,355,240
TOTAL CURRENT ASSETS		1,208,377	1,575,111
Exploration and evaluation assets	3,13	6,820,056	6,326,145
TOTAL ASSETS		\$ 8,028,433	\$ 7,901,256
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT			
Accounts payable and accrued liabilities	7	\$ 671,977	\$ 366,304
Due to related parties		525,429	519,086
Debenture payable	4,9,13	1,115,337	1,958,304
Warrants payable	4	292,685	777,435
TOTAL CURRENT LIABILITIES		2,605,428	3,621,129
SHAREHOLDERS' EQUITY			
Share capital	8,13	10,390,210	9,373,703
Obligation to issue shares	4,8	2,398	—
Reserves	8	1,943,579	1,676,070
Deficit		(6,913,182)	(6,769,646)
TOTAL SHAREHOLDERS' EQUITY		5,423,005	4,280,127
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 8,028,433	\$ 7,901,256

Nature and continuance of operations (Note 1)

Subsequent events (Note 13)

"Brody Sutherland"

Director

"Greg Ball"

Director

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

TOCVAN VENTURES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited, Expressed in Canadian Dollars)

	Note	November 30, 2023	November 30, 2022
EXPENSES			
Advertising and promotion	10	\$ 54,178	\$ 204,532
Audit and accounting		2,061	1,556
Consulting	10	112,500	27,966
Financing fees		–	3,675
Legal		16,821	11,951
Management fees	10	12,000	17,000
Meals and entertainment		959	9,781
Office and miscellaneous	10	14,524	5,988
Regulatory fees		15,367	10,556
Share-based compensation	8, 10	254,635	316,003
Travel		3,521	15,049
Operating expenses		(486,566)	(624,057)
Other gain (loss)			
Foreign exchange loss		(2,505)	(7,011)
Interest expense	9	(6,664)	(7,004)
Realized loss on financial asset	4	(221,532)	(158,870)
Unrealized loss on financial asset	4	(57,736)	(263,395)
Unrealized gain on debenture payable	4,9	466,967	394,103
Realized loss on debenture payable	4,9	(320,250)	–
Unrealized gain on warrants payable	4	484,750	320,446
Other gain (loss)		343,030	278,269
Net loss and comprehensive loss for the year		\$ (143,536)	\$ (345,788)
Loss per share, basic and diluted		\$ (0.00)	\$ (0.01)
Weighted average number of shares outstanding – basic and diluted		40,057,256	36,503,635

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

TOCVAN VENTURES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited; Expressed in Canadian dollars)

	Share Capital		Obligation to Issue Shares	Reserves	Deficit	Total Equity
	Number of Shares	Amount				
Balance at August 31, 2022	36,270,650	\$ 7,694,247	\$ –	\$ 902,334	\$(5,009,158)	\$3,587,423
Shares issued on exercise of warrants	9,600	5,760	–	–	–	5,760
Shares issued for exploration properties	1,000,000	650,000	–	–	–	650,000
Share-based compensation	–	–	–	316,003	–	316,003
Loss for the period	–	–	–	–	(345,788)	(345,788)
Balance at November 30, 2022	37,280,250	\$ 8,350,007	\$ –	\$1,218,337	\$(5,354,946)	\$4,213,398
Balance at August 31, 2023	39,985,108	\$ 9,373,703	\$ –	\$1,676,070	\$(6,769,646)	\$4,280,127
Shares issued on conversion of debenture payable	854,000	700,280	–	–	–	700,280
Shares to be issued for interest	–	–	2,398	–	–	2,398
Units issued for cash	820,000	369,000	–	–	–	369,000
Share issuance costs	–	(52,773)	–	12,874	–	(39,899)
Share-based compensation	–	–	–	254,635	–	254,635
Loss for the period	–	–	–	–	(143,536)	(143,536)
Balance at November 30, 2023	41,659,108	\$ 10,390,210	\$ 2,398	\$1,943,579	\$(6,913,182)	\$5,423,005

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

TOCVAN VENTURES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; Expressed in Canadian Dollars)

	November 30, 2023	November 30, 2022
CASH FLOWS USED IN OPERATING ACTIVITIES		
Net loss	\$ (143,536)	\$ (345,788)
Items not involving cash		
Interest expense	6,664	7,004
Share-based compensation	254,635	316,003
Unrealized loss on financial asset	57,736	263,395
Realized loss on financial asset	221,532	158,870
Unrealized gain on convertible debenture	(466,967)	(394,103)
Realized gain on convertible debenture	320,250	–
Unrealized gain on warrants payable	(484,750)	(320,446)
Changes in non-cash working capital items		
Receivables	17,064	(4,866)
Due to related parties	(61,022)	98,059
Prepaid expenses	33,665	75,111
Accounts payable and accrued liabilities	(53,437)	(75,543)
Net cash used in operating activities	(298,166)	(222,304)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	329,100	–
Proceeds from warrants exercised	–	5,760
Receipts from settlement of equity swaps	396,567	327,516
Net cash provided by financing activities	725,667	333,276
CASH FLOWS USED IN INVESTING ACTIVITIES		
Exploration and evaluation asset expenditures	(85,371)	(156,687)
Net cash used in investing activities	(85,371)	(156,687)
Change in cash	342,130	(45,715)
Cash, beginning	20,825	86,439
Cash, ending	\$ 362,955	\$ 40,724
NON-CASH TRANSACTIONS		
Exploration and evaluation assets included in:		
Due to related parties	\$ 67,365	\$ –
Accounts payable	\$ 357,271	\$ 166,078
Shares issued for exploration and evaluation assets	\$ –	\$ 650,000
Shares issued on conversion of debenture payable	\$ 700,280	\$ –

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

TOCVAN VENTURES CORP.

Notes to the Condensed Interim Consolidated Financial Statements

For the Three Months Ended November 30, 2023 and 2022

(Unaudited; Expressed in Canadian Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Tocvan Ventures Corp. (the “Company”) was incorporated on May 23, 2018, under the Alberta Business Corporations Act. On March 1, 2019, the Company’s shares started trading on the Canadian Securities Exchange (the “CSE”) under the symbol “TOC”.

The Company’s head office address is Suite 820 – 1130 West Pender St., Vancouver, British Columbia V6E 4A4 Canada. The registered and records office address is Suite 1150, 707 - 7th Avenue S.W., Calgary, Alberta T2P 3H6 Canada.

On September 15, 2020, the Company incorporated, under the laws of Mexico, a wholly-owned subsidiary, Burgencio S.A. de C.V. (“Burgencio”). Burgencio’s office address is Blvd. Morelos No, 639, Col. Bachoco, C.P. 83148, Hermosillo, Sonora, Mexico.

The Company is engaged in the acquisition, exploration and development of mineral properties. At November 30, 2023, the Company had not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets and related deferred exploration costs is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production from the exploration and evaluation assets or proceeds from the disposition of the exploration and evaluation asset.

These condensed interim consolidated financial statements have been prepared with the going concern assumption, which assumes that the Company will continue in operation for the foreseeable future and, accordingly will be able to realize its assets and discharge its liabilities in the normal course of operations. At November 30, 2023, the Company had an accumulated deficit of \$6,913,182 (August 31, 2023 – \$6,769,646) and is expected to incur further losses. The Company will require additional equity financing to continue developing its business and to meet its obligations. While the Company has been successful at raising additional equity financing in the past, there is no guarantee that it will continue to do so in the future, which results in a material uncertainty that casts significant doubt on the Company’s ability to continue as a going concern.

The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements. These adjustments could be material.

2. BASIS OF PREPARATION

a) Statement of compliance and basis of presentation

Basis of Preparation

These condensed interim consolidated financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretation of the International Financial Reporting Interpretation Committee (“IFRIC”).

TOCVAN VENTURES CORP.

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For the Three Months Ended November 30, 2023 and 2022

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These condensed interim consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The condensed interim consolidated financial statements of the Company are presented in Canadian dollars unless otherwise indicated, the reporting currency of the Company.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on January 29, 2024.

Basis of consolidation

These condensed interim consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, Burgencio. The financial statements of Burgencio are included in the condensed interim consolidated financial statements from the date that control commenced until the date that control ceases. All intercompany transactions and balances have been eliminated. Where necessary, adjustments are made to the financial statements of the subsidiary to bring its accounting policies in-line with those used by the Company.

The functional currency of Burgencio is the Canadian dollar, which is determined to be the currency of the primary economic environment in which Burgencio operates.

These condensed interim consolidated financial statements have been prepared on a historical cost basis. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

b) Use of estimates, assumptions and judgments

The preparation of condensed interim consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amount of expenses during the reporting year. Significant areas requiring the use of management estimates relate to provisions for restoration and environmental obligations and contingent liabilities, share-based compensation, deferred taxes, and the valuation and remeasurement of the financing transactions (Note 4).

The preparation of condensed interim consolidated financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments applying to the Company's condensed interim consolidated financial statements include:

- 1) the classification/allocation of expenses as exploration and evaluation expenditures or operating expenses;
- 2) the determination that the Company will continue as a going concern for the next years;
- 3) the determination whether there have been any events or changes in circumstances that indicate the impairment of its exploration and evaluation assets; and
- 4) classification of financial instruments issued in the financing transactions as liabilities or equity (Note 4).

3. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets

Title to exploration and evaluation ("E&E") asset interests involve certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to its exploration and evaluation asset and, to the best of its knowledge, title to all of its interests are in good standing.

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However, this should not be construed as a guarantee of title. The concessions may be subject to prior claims, agreements or transfers and rights of ownership may be affected by undetected defects.

Period ended November 30, 2023	Pilar	El Picacho	Total
Acquisition costs			
Balance, August 31, 2023	\$2,640,000	\$196,789	\$2,836,789
Cash ⁽¹⁾	419,374	–	419,374
Balance, November 30, 2023	3,059,374	196,789	3,256,163
Deferred exploration expenditures			
Balance, August 31, 2023	2,965,862	523,494	3,489,356
Geologist fees and assays	70,996	2,351	73,347
Other exploration expenses	1,190	–	1,190
Balance, November 30, 2023	3,038,048	525,845	3,563,893
Total E&E assets, November 30, 2023	\$6,097,422	\$722,634	\$6,820,056

(1) The cash payment for an option to acquire additional land holdings totaling \$341,175 (US\$250,000) was made subsequent to November 30, 2023.

Year ended August 31, 2023	Pilar	El Picacho	Total
Acquisition costs			
Balance, August 31, 2022	\$ 1,915,000	\$ 135,687	\$ 2,050,687
Cash	75,000	61,102	136,102
Shares issued	650,000	–	650,000
Balance, August 31, 2023	2,640,000	196,789	2,836,789
Deferred exploration expenditures			
Balance, August 31, 2022	2,116,564	153,177	2,269,741
Geologist fees and assays	835,480	295,628	1,131,108
Other exploration expenses	13,818	74,689	88,507
Balance, August 31, 2023	2,965,862	523,494	3,489,356
Total E&E assets, August 31, 2023	\$ 5,605,862	\$ 720,283	\$ 6,326,145

Pilar Project, Sonora, Mexico

On September 22, 2019, the Company signed an option agreement (“Pilar Agreement”) to acquire 51% of the Pilar Gold Project in the state of Sonora, Mexico (the "Pilar Project") from Colibri Resource Corp. (“Colibri”). The agreement was amended on August 31, 2021, and the updated conditions are as follows:

	Cash payment	Exploration work	Shares
September 22, 2019	\$125,000 (paid)	\$Nil	2,000,000 (issued)
September 21, 2020	\$125,000 (paid)	\$175,000 (completed)	1,000,000 (issued)
September 21, 2021	\$25,000 (paid)	\$425,000 (completed)	1,000,000 (issued)
September 21, 2022	\$75,000 (paid)	\$400,000 (completed)	1,000,000 (issued)
September 21, 2023	\$75,000 (paid)	\$500,000 (completed)	
September 21, 2024		\$500,000 (completed)	
TOTAL	\$425,000	\$2,000,000	5,000,000

On September 18, 2023, the Company submitted an exercise notice to Colibri to confirm its 51% ownership of the Pilar gold-silver project as the Company fulfilled its initial commitment under the covenants of the Pilar Agreement.

TOCVAN VENTURES CORP.

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The Pilar Agreement also gives the Company an option to acquire the remaining 49% interest in the Pilar Project within a six-month period after it acquired 51% ownership, or establish a joint venture agreement with Colibri. The option to acquire the additional interest requires a \$2,000,000 cash payment and granting Colibri a 2% net smelter return royalty (“NSR”), 1% of which can be repurchased for an additional cash payment of \$1,000,000. The Company intends to exercise its option to acquire the remaining 49%.

Pilar Landholding Expansion

On October 17, 2023, the Company entered into a definitive agreement (the “SV Agreement”) with Suaqui Verde Properties (“SVP”), a private owner, for an option to acquire 100% interest in a 2,172.72-hectare contiguous land immediately adjacent and north of Pilar Project. Under the terms of the SV Agreement, the Company will be required to pay a total of US\$4,000,000 in cash, issue 2,500,000 common shares and spend US\$1,000,000 in exploration work on the property within a five-year period. The vendor of the property will retain a 2% NSR. After the five-year period, the Company can elect to extend the Agreement by another ten years by starting advance royalty payments or purchase full title ownership through additional payment of US\$500,000. The additional acquisition expanded Pilar Project area from 105 hectares to 2,277.72 hectares.

A summary of the commitments to be fulfilled on the acquisition is as follows:

	Cash payment	Exploration work	Shares
Closing	US\$250,000 ⁽¹⁾	US\$Nil	US\$Nil
Six months after closing	US\$200,000	US\$Nil	US\$250,000
1 st anniversary	US\$Nil	US\$100,000	US\$500,000
2 nd anniversary	US\$1,050,000	US\$150,000	US\$500,000
3 rd anniversary	US\$1,150,000	US\$250,000	US\$750,000
4 th anniversary	US\$650,000	US\$250,000	US\$250,000
5 th anniversary	US\$700,000	US\$250,000	US\$250,000
TOTAL	US\$4,000,000	US\$1,000,000	US\$2,500,000

(1) The \$341,175 (US\$250,000) cash payment required on signing of the SV Agreement was made subsequent to November 30, 2023.

El Picacho Project, Sonora, Mexico

On June 7, 2021, the Company signed a letter of commitment to purchase the El Picacho Project (“El Picacho Project”) from Recursos Millrock S. de R.L. de C.V. (“Millrock”) a Mexican corporation. On signing of the letter of commitment the Company made an initial payment of \$94,196 (US\$78,000).

On September 15, 2021, the Company entered into an assignment agreement with Millrock for an initial five-year option to acquire the El Picacho property from the property owners, Suarez Brothers, within the Caborca Orogenic Gold Belt in Sonora, Mexico. El Picacho consists of 12 mining concessions totaling 2,395.33 hectares.

To acquire 100% interest in the El Picacho Project, the Company is required to pay Suarez Brothers US\$1,985,600 and an additional payment of US\$60,000 will be required to gain surface rights to use the Picacho Ranch. Both payments are to be paid in a series of instalments ending on April 1, 2026. Millrock is to retain a 2% NSR with the option for the Company to purchase back 1% for US\$1,000,000. Upon full execution of the Option Agreement and completion of all cash payments, an Annual Advance Minimum Royalty (“AAMR”) of US\$25,000 will be paid to Millrock, doubling each year until the start of production. AAMR payments will be subtracted from royalty payments on commencement of production.

TOCVAN VENTURES CORP.**Notes to the Condensed Interim Consolidated Financial Statements**

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(Unaudited; Expressed in Canadian Dollars)

A summary of the commitments on El Picacho option agreement and surface rights is as follows:

	Option payment	Surface rights payment
Closing	US\$5,000 (paid by Millrock)	US\$6,000 (paid by Millrock)
Six months after closing	US\$Nil	US\$6,000 (paid)
1 st anniversary	US\$21,400 (paid)	US\$6,000 (paid)
Six months after 1 st anniversary	US\$21,400 (paid)	US\$6,000 (paid)
2 nd anniversary	US\$21,400 (paid)	US\$6,000 (paid)
Six months after 2 nd anniversary	US\$21,400 ⁽¹⁾	US\$6,000
3 rd anniversary	US\$250,000	US\$6,000
Six months after 3 rd anniversary	US\$Nil	US\$6,000
4 th anniversary	US\$650,000	US\$6,000
Six months after 4 th anniversary	US\$Nil	US\$6,000
5 th anniversary	US\$1,000,000	US\$6,000
TOTAL	US\$1,990,600	US\$66,000

(1) The Company paid \$28,259 (US\$21,400) subsequent to November 30, 2023.

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT AND LOSS

The following table summarizes, as at November 30, 2023, and August 31, 2023, the details of the Company's financial assets associated with Sorbie equity swap agreements dated for reference June 28, 2022, and April 5, 2023, measured through profit and loss:

Financial assets at fair value through profit and loss	November 30, 2023	August 31, 2023
Balance at the beginning of the period	\$ 1,355,240	\$ 2,252,532
Addition of financial assets (initial recognition)	–	604,357
Cash received during the period	(396,567)	(1,391,822)
Change in cash receivable subsequent to the period-end	17,700	(15,632)
Realized loss on the Sorbie settlements	(221,532)	(596,583)
Unrealized gain (loss) on revaluation of the financial assets to fair value	(57,736)	502,388
Balance at the end of the period	\$ 697,105	\$ 1,355,240

June 28, 2022, Equity Swap Agreement with Sorbie Bornholm LP

On June 28, 2022, the Company entered into a financing transaction with Sorbie Bornholm LP (“Sorbie”) whereby the Company agreed to issue 3,200,000 units (the “Sorbie Unit”) and 2,809 convertible notes with a face value of \$1,000 per note (the “Sorbie Notes”) in exchange for 24 monthly cash payments (the “Monthly Settlements”) that were measured against a benchmark price of \$1.10 per share (the “Benchmark”) with a set number of shares totaling \$5,125,000 at Benchmark (the “Sorbie Transaction”) (Note 9).

The actual Monthly Settlements are determined based on a volume weighted average price (“VWAP”) for 20 trading days prior to the Monthly Settlements. If the measured share price exceeds the Benchmark for the Monthly Settlements, the Company will receive more than 100% of the expected Monthly Settlements. However, should the share price be below the Benchmark, the Company will receive less than 100% of the Monthly Settlements.

Each Sorbie Unit consists of one common share and one warrant entitling Sorbie to purchase one additional common share at a price of \$1.20 until June 28, 2025. The Sorbie Notes mature on June 28, 2025, can be converted, at discretion of the note holder, into 1,220 common shares per Sorbie Note. The Sorbie Notes pay non-

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compounding interest at 1% per year, which is payable annually in common shares. In connection with the Sorbie Notes, the Company issued 1,713,490 detachable warrants that entitle Sorbie to purchase one additional common share at a price of \$1.30 until June 28, 2025, and an additional 1,713,490 detachable warrants that entitle Sorbie to purchase one additional common share at a price of \$1.40 until June 28, 2025.

To determine the fair value of the Monthly Settlements the Company uses a Monte Carlo simulation.

Based on the terms of the Monthly Settlements, the Company calculated the expected future VWAP share price at each Monthly Settlement, multiplied by the number of predetermined shares per the payment schedule and then discounted using the risk-free rate to determine the present value of the future cash flows.

As at November 30, 2023, and August 31, 2023, the fair value of expected cash flows was calculated using the following assumptions:

As at	November 30, 2023	August 31, 2023
Benchmark price	\$1.10	\$1.10
Total number of remaining Settlements ⁽¹⁾	7	10
Share price on the valuation date	\$0.43	\$0.57
Volatility	60.54%	75%
Risk-free rate	4.20%	5.13%
Fair value of expected cash flows	\$548,901	\$1,040,585

⁽¹⁾ The Monthly Settlements were valued based on 182,806 shares, with the final Monthly Settlement valued based on 182,804 shares.

To determine the allocation of the fair value of the Monthly Settlements, the Company analyzed Sorbie Units and Sorbie Notes under guidance available under IFRS 9 *Financial Instruments*. IFRS requires that the terms of a convertible instrument are analyzed, and each component separately accounted for according to the definitions of financial liability and equity. The Company determined that Sorbie Notes and the warrants that were issued as part of the Sorbie Notes and Sorbie Units were liability, therefore the fair values of future Monthly Settlements were allocated first to the Sorbie Notes, then to the warrants with the remaining value allocated to the shares issued as part of the Sorbie Units.

As at November 30, 2023, and August 31, 2023, Sorbie Notes, Warrants, and Shares issued as part of Sorbie Units were valued as follows:

	November 30 2023	August 31, 2023
Sorbie Notes ⁽¹⁾	\$1,115,337	\$ 1,958,304
Warrants to acquire up to 1,713,490 Shares at \$1.30 per Share	52,641	155,929
Warrants to acquire up to 1,713,490 Shares at \$1.40 per Share	45,400	140,511
Warrants to acquire up to 3,200,000 Shares at \$1.20 per Share	114,621	324,350
3,200,000 Shares issued as part of the Sorbie Units	—	—
Total	\$1,327,999	\$ 2,579,094

⁽¹⁾ At November 30, 2023, the Company recorded \$6,428 in interest expense on Sorbie Notes (2023 - \$7,004) and had issued 59,137 common shares for the settlement of one-year accrued interest of \$28,090.

On November 1, 2023, Sorbie converted 700 Sorbie Notes into 854,000 Shares of the Company at \$0.82 per share resulting in realized loss of \$320,250. A total of \$2,398 in interest accrued on 700 Sorbie Notes was converted into 5,387 common shares; these shares were issued on December 12, 2023 (Note 9).

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The remaining 2,109 Sorbie Notes can also be settled into shares of the Company at the election of Sorbie at any time, and therefore were determined to be current liability and valued based on the fair market value of the Company's shares measured initially on the date of the transaction with a deemed price at \$0.82, and subsequently remeasured using the market value of the Company's shares on November 30, 2023, being \$0.43 (2023 - \$0.56). At November 30, 2023, the Company recognized \$466,967 unrealized gain (2023 – \$394,103 gain) on revaluation of Sorbie Notes to their fair market value.

The warrants issued as part of the Sorbie Transaction had a fair value of \$212,662 (2023 – \$620,790) and were valued based on the Black Scholes Option Pricing Model using the following assumptions:

	November 30, 2023	August 31, 2023
Share price on the valuation date	\$0.43	\$0.57
Exercise price	\$1.20 - \$1.40	\$1.20 - \$1.40
Years to exercise	1.58	1.83
Risk free rate	4.22%	4.73%
Volatility	67.56%	70.00%

The Company recognized \$408,128 as unrealized gain (2023 – \$320,446) on revaluation of the Sorbie warrants to their fair market value.

As at November 30, 2023, the Company has recorded a total of \$275,088 in Monthly Settlements (2023 – \$292,217) representing three Monthly Settlements, of which \$287,939 was received during the period ended November 30, 2023, including receivable recorded in the previous period of \$94,639. The November Monthly Settlement of \$81,788 was recorded as receivable as it was received subsequent to November 30, 2023. The difference between each Monthly Settlement's fair value as at the initial recognition on June 28, 2022, and the actual Monthly Settlement received is recorded through profit and loss as realized gain or loss for the period. For the period ended November 30, 2023, the Company recorded a realized loss on settlement of \$174,657 (2023 – \$158,870).

At November 30, 2023, the fair value of the remaining seven Monthly Settlements was determined to be \$548,901 (2023 – \$1,040,585, being the fair value of ten Monthly Settlements to be received). The difference between the initial valuation of the Monthly Settlements and their value as at the reporting date is recorded in the profit and loss statement as unrealized gain or loss on the financial asset. As at November 30, 2023, the Company recognized \$41,939 as unrealized loss (2023 – \$263,395 loss) on the financial asset.

April 5, 2023, Equity Swap Agreement with Sorbie Bornholm LP

On April 5, 2023, Tocvan entered into a financing transaction (the "April Sorbie Transaction") with Sorbie whereby the Company agreed to issue 1,102,941 units (the "April Sorbie Units") for a total consideration of \$600,000. The units consisted of one common share priced at \$0.544 and one-half share purchase warrant entitling the holder to purchase one additional common share at a price of \$0.68 until April 5, 2026. In addition, the Company settled the financing fee of \$36,000 by issuing 66,177 common shares and 33,088 share purchase warrants with terms similar to April Sorbie Units. A total of 1,169,118 common shares and 584,559 share purchase warrants were issued to Sorbie for the financing arrangement entered on April 5, 2023.

Furthermore, on April 5, 2023, the Company entered into an equity swap arrangement under a Sharing Agreement with Sorbie to allow settlement provisions for \$600,000 to be paid out within a year in 12 monthly tranches of \$50,000 with equivalent number of settlement shares at 68,965 per month totaling 827,586 shares (the 12th month number of shares to be at 68,971). The monthly amounts to be paid out depend on how the Company's share price varies against a benchmark price ("Benchmark") set at \$0.725. The monthly share price is calculated by using the volume weighted average price ("VWAP") of the Company's share price within 20-trading days prior to settlement date multiplied by the number of settlement shares. If the VWAP of the Company's price is less than

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the Benchmark price, the Company will receive less than 100% of the monthly cash settlement of \$50,000 on a pro rata basis and if the VWAP of the Company's price is more than the Benchmark price, the Company will receive more than 100% of the monthly cash settlement of \$50,000. The number of settlement shares will not fluctuate and will remain constant at each settlement date.

To determine the fair value of the April Sorbie Settlements the Company uses a Monte Carlo Simulation.

Based on the terms of the April Sorbie Settlements, the Company calculated the expected future VWAP of the Company's share price at each April Sorbie Settlement date, multiplied by the number of predetermined shares per the payment schedule and then discounted using the risk-free rate to determine the present value of the future cash flows.

As at November 30, 2023, and August 31, 2023, the fair value of expected cash flows was calculated using the following assumptions:

As at	November 30, 2023	August 31, 2023
April Sorbie Benchmark	\$0.725	\$0.725
Total number of remaining April Sorbie Settlements ⁽¹⁾	5	8
Share price on the valuation date	\$0.43	\$0.57
Volatility	56%	70%
Risk-free rate	4.20%	5.12%
Fair value of expected cash flows	\$148,204	\$314,655

⁽¹⁾ *The fair value of expected cash flows was valued based on April Sorbie Settlements of 68,965 shares, with the final April Sorbie Settlement valued based on 68,971 shares.*

To determine the allocation of the fair value of the April Sorbie Settlements, the Company analyzed April Sorbie Units under guidance available under IFRS 9 *Financial Instruments* and IAS 32. The Company determined that April Sorbie Warrants were liability, therefore the fair values of future Monthly Settlements were allocated first to the April Sorbie Warrants with the remaining value allocated to the shares issued as part of the April Sorbie Units.

As at November 30, 2023, and August 31, 2023, the Warrants and Shares issued as part of April Sorbie Units were valued as follows:

	November 30, 2023	August 31, 2023
Warrants to acquire up to 584,559 Shares at \$0.68 per Share	\$ 80,023	\$ 156,645
Equity	348,079	348,079
Total	\$ 428,102	\$ 504,724

At November 30, 2023, the warrants issued as part of the April Sorbie Transaction valued at \$80,023 were based on the Black Scholes Option Pricing Model using the following assumptions:

	November 30, 2023	August 31, 2023
Share price on the valuation date	\$0.43	\$0.57
Exercise price	\$0.68	\$0.68
Years to exercise	2.35	2.60
Risk-free rate	4.22%	4.68%
Volatility	72.27%	80.73%

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At November 30, 2023, the Company recognized an unrealized gain of \$76,622 (2023 – \$Nil) on the revaluation of the April Sorbie Warrants to their fair market value.

As at November 30, 2023, the Company recognized \$103,778 for three Monthly settlements and has received a total of \$108,628 in April Sorbie Settlements with \$30,855 (2023 – \$35,704) recorded as receivable which was received subsequent to November 30, 2023. The difference between April Sorbie Settlement's fair value as at the initial recognition on April 5, 2023, and the actual cash received is recorded through profit and loss as realized income or loss for the year. For the three-month period ended November 30, 2023, the Company recorded a realized loss on settlement of \$46,874 (November 30, 2022 – \$Nil).

At November 30, 2023, the fair value of the future April Sorbie Settlements was determined to be \$148,204. The difference between the initial valuation of the April Sorbie Settlements and their value at the reporting date is recorded in the profit and loss statement as unrealized gain or loss for the year. As at November 30, 2023, the Company recognized \$15,797 (2023 – \$Nil) as unrealized loss on the financial asset.

Sensitivity Analysis

The following table illustrates the impact of a 10% increase and a 10% decrease in the Company's share price on the fair value of the financial assets and financial liabilities from Sorbie transactions:

Transactions	Fair Market Value As at November 30, 2023	10% Share Price Increase	10% Share Price Decrease
Monthly Settlements	\$ 548,901	\$ 603,268	\$ 495,873
April Sorbie Settlements	148,204	162,942	133,514
Warrants @\$1.20	(114,621)	(150,105)	(84,170)
Warrants @\$1.30	(52,641)	(69,468)	(38,323)
Warrants @\$1.40	(45,400)	(60,347)	(32,784)
Warrants @\$0.68	(80,023)	(95,286)	(65,644)
	\$ 404,420	\$ 391,004	\$ 408,466

5. RECEIVABLES

	November 30, 2023	August 31, 2023
Sorbie Monthly Settlements receivable	\$ 112,643	\$ 130,343
GST receivable	5,152	4,516
	\$ 117,795	\$ 134,859

6. PREPAID EXPENSES

	November 30, 2023	August 31, 2023
Regulatory fees	\$ 11,850	\$ 17,437
Advertising and promotion	17,260	42,131
Deferred exploration expenditures	1,066	4,265
Miscellaneous	346	354
	\$ 30,522	\$ 64,187

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*(Unaudited; Expressed in Canadian Dollars)***7. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

	November 30, 2023	August 31, 2023
Accounts payable	\$ 613,665	\$ 287,167
Accrued liabilities	58,312	79,137
	\$ 671,977	\$ 366,304

8. SHARE CAPITAL**Authorized and issued**

The authorized share capital consists of an unlimited number of common shares without par value (the “Common Shares”) and an unlimited number of shares designated as preferred shares. At November 30, 2023, the Company had 41,659,108 Common Shares (2023 – 39,985,108) and no preferred shares issued and outstanding.

Shares issued during the period ended November 30, 2023

On November 1, 2023, the Company issued 854,000 common shares for a total consideration of \$700,280 to Sorbie pursuant to the exercise of 700 Sorbie Notes with each note convertible into 1,220 common shares (Note 9). The total interest of \$2,397 accrued on the 700 Sorbie Notes up to November 1, 2023, was converted into 5,387 common shares at a deemed price of \$0.445. These shares were issued on December 12, 2023.

On November 29, 2023, the Company closed the first tranche of a non-brokered private placement issuing 820,000 units at \$0.45 per unit for gross proceeds of \$369,000. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of \$0.60 exercisable within 24 months from the closing of the first tranche, subject to accelerated expiry provisions.

In connection with the private placement, the Company paid a total of \$32,399 in cash finders’ fees and \$7,500 in legal fees and issued 72,000 finders’ warrants. Each finders’ warrant entitles the holder to acquire one additional common share at a price of \$0.45 exercisable within 24 months from the closing of the first tranche. The finders’ warrants were valued at \$12,874 using Black Scholes option pricing model with the following assumptions:

Share price	\$0.45
Exercise price	\$0.45
Exercise term	24 months
Risk free rate	4.29%
Volatility	68.26%

Shares issued during the year ended August 31, 2023

On September 21, 2022, the Company issued 1,000,000 Common Shares with a fair value of \$650,000 as payment for Pilar Project pursuant to the Property Option Agreement dated September 22, 2019, as amended on August 31, 2021, between the Company and Colibri (Note 3).

On September 27, 2022, the Company issued 9,600 Common Shares on exercise of finder’s warrants with an exercise price of \$0.60 for total gross proceeds of \$5,760. On December 2, 2022, the Company issued 18,750

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Common Shares on exercise of options at an exercise price of \$0.35 for total gross proceeds of \$6,563. The share price at the time the options were exercised was \$0.47.

On January 6, 2023, the Company issued 12,500 Common Shares on exercise of options at an exercise price of \$0.40 for total proceeds of \$5,000. The share price at the time the options were exercised was \$0.55.

On February 16, 2023, the Company closed a non-brokered private placement (the "Offering") by issuing a total of 1,227,353 units of its common stock at a price of \$0.52 per unit for gross proceeds of \$638,224. The private placement consisted of three tranches, which closed on January 30, 2023, February 9, 2023, and February 16, 2023. Each unit consisted of one Common Share and one-half of one Common Share purchase warrant (the "Warrant"). Each full Warrant entitles the holder to acquire additional Common Share at a price of \$0.62 exercisable within 18 months from the close of the respective tranche. In connection with the Offering, the Company paid \$15,400 in legal fees and \$56,342 in cash commissions. In addition, the Company issued 108,351 finders warrants ("Finders' Warrants") entitling the holder to acquire one Common Share at a price of \$0.52 exercisable within 18 months from the close of the respective tranche. The Finders' Warrants were valued at \$26,517 using Black Scholes option pricing model with the following assumptions:

Share price	\$0.52 - \$0.60
Exercise price	\$0.52
Exercise term	18 months
Risk free rate	3.9%
Volatility	79.16%-80.10%

On February 22, 2023, the Company issued 218,000 Common Shares at \$0.50 per share for a total value of \$109,000 to a vendor for services rendered in production and broadcasting media in accordance with the agreement dated August 15, 2022.

On April 5, 2023, the Company completed a financing transaction with Sorbie (Note 4). As part of the April Sorbie transaction, the Company issued a total of 1,169,118 April Sorbie Units. Each April Sorbie Unit consisted of one common share and one-half of one common share purchase warrant ("April Sorbie Warrant"). Each full April Sorbie Warrant entitles Sorbie to acquire one additional share at an exercise price of \$0.68 exercisable until April 5, 2026. The Company allocated the fair value of the future April Sorbie Settlements expected to be received from the April Sorbie Transaction between all the components of the April Sorbie Transaction based on the guidance available under IAS 32. Based on this, on initial recognition of its fair value at \$604,357, the Company allocated \$256,278 to the April Sorbie Warrants with \$348,079 allocated to the shares issued as part of the April Sorbie Transaction. In connection with April Sorbie Transaction, the Company paid cash of \$13,000 in legal fees, which were recorded as share issuance cost.

On July 18, 2023, the Company settled accrued interest of \$28,090 on Sorbie Notes by issuing 59,137 common shares. The Sorbie Notes carry a non-compounding interest of 1% per annum to be settled annually in cash or common shares at Sorbie's discretion (Notes 4 and 10).

Stock Options

The Company has a rolling stock option plan under which it is authorized to grant options to directors, employees and consultants, to acquire up to 10% of the issued and outstanding shares. The exercise price of each option is based on the market price of the Company's stock at the date of grant. The options can be granted for a maximum term of five years and vest as determined by the board of directors.

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(Unaudited; Expressed in Canadian Dollars)

	Three months ended November 30, 2023		Year ended August 31, 2023	
	Number of Stock Options	Weighted Average Exercise Price	Number of Stock Options	Weighted Average Exercise Price
Options outstanding, beginning	2,662,500	\$ 0.60	2,725,250	\$ 0.54
Options exercised	–	n/a	(31,250)	\$ 0.37
Options expired	–	n/a	(431,500)	\$ 0.27
Options granted	500,000	\$ 0.50	400,000	\$ 0.72
Options outstanding, ending	3,162,500	\$ 0.59	2,662,500	\$ 0.60
Options outstanding, exercisable	2,962,500	\$ 0.59	2,362,500	\$ 0.59

As at November 30, 2023, the following incentive stock options are outstanding:

Number of Stock Options	Exercise Price	Years remaining	Expiry Date	Exercisable at November 30, 2023
150,000	\$ 0.15	0.90	October 24, 2024	150,000
181,250	\$ 0.35	1.78	September 11, 2025	181,250
281,250	\$ 0.40	1.81	September 21, 2025	281,250
100,000	\$ 0.40	2.04	December 15, 2025	100,000
150,000	\$ 0.35	2.14	January 19, 2026	150,000
200,000	\$ 0.80	2.42	May 3, 2026	200,000
1,200,000	\$ 0.72	3.68	August 5, 2027	1,200,000
400,000	\$ 0.72	4.39	April 20, 2028	200,000
500,000	\$ 0.50	4.85	October 3, 2028	500,000
3,162,500	\$ 0.59	3.34		2,962,500

As at November 30, 2023, the weighted average life of the options was 3.34 years.

Share-based compensation

On October 3, 2023, the Company granted 500,000 to certain consultants which entitle the holders to purchase one Common Share for each option held at a price of \$0.50 per Common Share expiring on October 3, 2028. The options vested immediately on October 3, 2023. In connection with this grant, the Company calculated the fair value of the share-based compensation to be \$205,984 using the Black Scholes Option Pricing Model with the following assumptions: share price – \$0.55; exercise price – \$0.50; expected life – 5 years; expected volatility – 93.50%; risk free interest rate – 4.48%.

During the year ended November 30, 2023, the Company recognized \$254,635 (2022 – \$316,003) in share-based compensation.

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*(Unaudited; Expressed in Canadian Dollars)***Warrants**

	Three months ended November 30, 2023		Year ended August 31, 2023	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding, beginning	9,546,755	\$1.21	9,491,103	\$ 1.22
Warrants issued	892,000	\$0.59	1,306,587	\$ 1.21
Warrants exercised	–	n/a	(9,600)	\$ 0.60
Warrants expired	(755,878)	\$1.37	(1,241,335)	\$ 0.60
Warrants outstanding, ending	9,682,877	\$1.12	9,546,755	\$ 1.21

At November 30, 2023, the following subscribers' warrants are outstanding:

Expiry Date	Number of Subscribers' Warrants	Weighted Average Exercise Price
December 13, 2023 ⁽¹⁾	133,000	\$ 1.50
May 9, 2024	432,750	\$ 1.40
June 14, 2024	243,500	\$ 1.40
June 28, 2025	1,713,490	\$ 1.30
June 28, 2025	1,713,490	\$ 1.40
June 28, 2025	3,200,000	\$ 1.20
July 30, 2024	220,856	\$ 0.62
August 9, 2024	267,335	\$ 0.62
August 16, 2024	125,486	\$ 0.62
April 5, 2026	584,559	\$ 0.68
November 28, 2025	820,000	\$ 0.60
	9,454,466	\$ 1.15

⁽¹⁾ These warrants expired unexercised subsequent to November 30, 2023.

At November 30, 2023, the weighted average life of the subscribers' warrants was 1.50 years.

At November 30, 2023, the following finders' warrants are outstanding

Expiry Date	Number of Finders' Warrants	Weighted Average Exercise Price
December 13, 2023 ⁽¹⁾	1,280	\$ 1.00
May 9, 2024	34,620	\$ 0.80
June 14, 2024	12,160	\$ 0.82
July 30, 2024	39,787	\$ 0.52
August 9, 2024	43,467	\$ 0.52
August 16, 2024	25,097	\$ 0.52
November 28, 2025	72,000	\$ 0.45
	228,411	\$ 0.56

⁽¹⁾ Subsequent to November 30, 2023, these warrants expired unexercised

At November 30, 2023, the weighted average life of the finders' warrants was 1.05 years.

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*(Unaudited; Expressed in Canadian Dollars)***9. CONVERTIBLE NOTES**

In connection with the Sorbie Transaction (Note 4), the Company issued a total of 2,809 convertible notes with a face value of \$1,000 per Sorbie Note for a total of \$2,810,124 maturing on June 28, 2025. Each Sorbie Note has a coupon rate of 1% per annum, non-compounding, and is payable in common shares. Each note is convertible into 1,220 common shares. The Sorbie Notes can be converted to shares at discretion of Sorbie, provided that notice in writing setting out the number of Sorbie Notes to be converted and the proposed date for conversion is given to the Company at least five business days prior to the proposed date for conversion. In addition, the Sorbie Notes cannot be redeemed prior to the maturity date, when they automatically convert to Common Shares of the Company.

The Company determined that, since the consideration receivable for Sorbie Notes cannot be readily determined, and due to convertibility of the Sorbie Notes at the discretion of Sorbie at any time after the close of the Sorbie Transaction and before their maturity date, the fair value of these notes should be recorded as current liability with any changes in the fair value being recognized as profit or loss.

At November 30, 2023, the Company recognized unrealized gain of \$466,967 (2023 – \$394,103 gain) on revaluation of the Sorbie Notes, which resulted from the decrease of the Company's share price from \$0.57 at August 31, 2023, to \$0.43 on November 30, 2023. The Company recorded a realized loss of \$320,250 upon exercise of 700 Sorbie Notes on November 1, 2023. The total interest of \$2,398 accrued on the 700 Sorbie Notes up to November 1, 2023, was converted into 5,387 common shares at a deemed price of \$0.445. These shares were issued on December 12, 2023. At November 30, 2023, the Company recorded a total of \$6,428 (2023 – \$7,003) in interest expense relating to the remaining Sorbie Notes for the three-month period ended November 30, 2023, with total accrued interest of \$8,956 (2023 – \$4,925).

10. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the three-month periods ended November 30, 2023 and 2022 was as follows:

Description	November 30, 2023	November 30, 2022
Consulting fees	3,000	–
Deferred exploration expenditures	58,442	84,574
Management fees	12,000	17,000
Share-based compensation	24,326	170,155
	\$97,768	\$271,729

Related party balances

At November 30, 2023, \$40,431 (2023 – \$46,143) was owed to the Company's CEO and a company controlled by the CEO including \$16,574 owed for reimbursable expenditures covering office and miscellaneous travel-related expenses. During the three-month period ended November 30, 2023, the Company incurred \$12,000 in management fees to the CEO (2023 - \$12,000), and \$3,000 in deferred exploration expenditures with a company controlled by the CEO (2023 - \$3,000)

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At November 30, 2023, \$484,998 was owed to a company controlled by a director of the Company (2023 – \$160,838). During the three-month period ended November 30, 2023, the Company incurred \$55,442 in deferred exploration expenditures with the company controlled by the director of the Company (2023 – \$81,574).

At November 30, 2023, \$Nil (2022 – \$Nil) was owed to CFO of the Company. During the three-month period ended November 30, 2023, the Company incurred \$3,000 in consulting fees to CFO (2023 – \$3,000, which were recorded as part of management fees).

All amounts due to related parties are unsecured, non-interest bearing, and with no fixed repayment terms.

11. CAPITAL MANAGEMENT

The Company considers its capital to consist of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through debt and equity financing. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

12. FINANCIAL INSTRUMENTS

a. Fair Value

The Company's financial instruments consist of cash, amounts receivable, marketable securities, accounts payable, accrued liabilities and due to related parties classified at amortized cost. The fair values of these financial instruments approximate their carrying values because of their current nature. The financial asset, debenture payable, and warrants payable, are all classified at FVTPL. Financial assets and liabilities at fair value through profit and loss are revalued at each reporting date based on the three levels of a fair value hierarchy.

The following table summarizes the carrying values of the Company's financial instruments:

	November 30, 2023	August 31, 2023
Financial assets at amortized cost (i)	\$ 480,750	\$ 155,684
Financial assets at fair value through profit and loss (ii)	\$ 697,105	\$ 1,355,240
Financial liabilities at amortized cost (iii)	\$ 1,197,406	\$ 885,390
Financial liabilities at fair value through profit and loss (iv)	\$ 1,408,022	\$ 2,735,739

(i) Cash and amounts receivable

(ii) Monthly Settlements resulting from Sorbie Transactions (Note 4)

(iii) Due to related parties, accounts payable and accrued liabilities

(iv) Sorbie Notes and warrants payable issued to Sorbie as a result of Sorbie Transactions (Notes 4, 8 and 9)

b. Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash, which is held with a high credit quality financial institution, Monthly Settlements receivable as a result of Sorbie Transactions, and to a smaller extent GST receivable from the Government of Canada.

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c. 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 manages liquidity risk through the management of its capital structure and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and operating expenditures by raising additional funds through share issuances when required. The Sorbie Notes mature on June 28, 2025 (Notes 4 and 9) however, Sorbie may convert to shares at any time. The warrants payable can only be settled in shares. The Company's other financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

d. Foreign Exchange Risk

Foreign exchange 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 has financial risk arising from fluctuations in foreign exchange rates as the Company, through its wholly owned subsidiary, does own foreign currency denominated financial assets and liabilities.

e. Interest Rate Risk

Interest rate risk is the risk that arises from fluctuating interest rates. The Company is not exposed to significant interest rate risk.

f. Price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company. The Company is exposed to equity price risk since Sorbie Monthly Settlements are affected by the movement of the Company's share price.

13. SUBSEQUENT EVENTS

On December 1, 2023, the Company granted 200,000 options to a consultant. The options vest quarterly over a 12-month period and are exercisable at \$0.45 per common share expiring on December 1, 2026.

On December 11, 2023, the Company closed the second and final tranche of the non-brokered private placement issuing 680,333 units at \$0.45 per unit for gross proceeds of \$306,150. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to acquire one additional common share at a price of \$0.60 exercisable within 24 months from the closing of the second tranche, subject to accelerated expiry provisions.

In relation to the second tranche of the private placement, the Company paid cash commissions of approximately \$15,165 and issued a total of 33,700 finders' warrants. Each finders' warrant is exercisable at a price of \$0.45 per common share and expires on December 11, 2025.

On December 12, 2023, the Company issued 5,387 common shares valued at \$2,397 as settlement of accrued interest on 700 Sorbie Notes exercised on November 1, 2023 (Note 9).

On December 19, 2023, the Company issued 525,000 common shares to Colibri Resources Corp. pursuant to the anti-dilution clause included in the Pilar Agreement.