

WESTERN ALASKA MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2023 AND 2022

(EXPRESSED IN UNITED STATES DOLLARS)

(UNAUDITED)

WESTERN ALASKA MINERALS CORP.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION***(Unaudited, Expressed in United States Dollars)*

	Notes	September 30, 2023	December 31, 2022
ASSETS			
Current Assets			
Cash		\$ 1,991,240	\$ 3,842,748
GST receivable		31,325	40,694
Prepays and deposits		234,485	99,870
		2,257,050	3,983,312
Non-Current Assets			
Long-term deposits	3	-	416,810
Equipment	4	1,455,531	498,070
Exploration and evaluation properties	5	28,660,431	22,817,887
TOTAL ASSETS		\$ 32,373,012	\$ 27,716,079
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities	6, 7	\$ 1,033,826	\$ 654,886
Promissory note	7, 8	270,000	1,504,333
		1,303,826	2,159,219
Non-Current Liabilities			
Promissory note	7, 8	2,515,333	1,200,000
TOTAL LIABILITIES		3,819,159	3,359,219
SHAREHOLDERS' EQUITY			
Share capital	9	35,454,435	29,603,584
Reserve for options	9	2,620,533	956,004
Reserve for warrants	9	110,849	-
Reserve for foreign exchange		(210,412)	(323,082)
Accumulated deficit		(9,421,552)	(5,879,646)
TOTAL SHAREHOLDERS' EQUITY		28,553,853	24,356,860
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 32,373,012	\$ 27,716,079

Nature and continuance of operations 1

Approved by the Board of Directors:

“Christopher (Kit) Marrs”
Director

“Kevin Nishi”
Director

WESTERN ALASKA MINERALS CORP.**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022***(Unaudited, Expressed in United States Dollars)*

	Notes	For the three months ended		For the nine months ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
EXPENSES					
Bank charges		\$ 1,348	\$ 593	\$ 2,643	\$ 1,193
Consulting fees		205,199	281,826	442,362	466,845
Depreciation expense		-	398	-	811
Filing and regulatory fees		(7,505)	(8,252)	65,560	24,083
Insurance		3,130	16,625	30,765	39,517
Management fees	7	152,713	139,161	551,744	432,721
Office and sundry		(71,813)	32,061	108,316	46,887
Professional fees		88,616	78,226	211,051	188,915
Share-based payments	7, 9	333,606	50,992	1,680,698	314,885
Travel and promotion		192,079	45,098	375,761	219,236
		(897,373)	(636,728)	(3,468,900)	(1,735,093)
OTHER ITEMS					
Foreign exchange gain (loss)		1,475	6,470	(32,118)	2,566
Interest expense	8	(33,750)	(15,500)	(81,000)	(47,000)
Interest income		7,265	22,287	40,112	26,802
NET LOSS		(922,383)	(623,471)	(3,541,906)	(1,752,725)
OTHER COMPREHENSIVE LOSS					
Unrealized foreign exchange gain (loss) on translation of foreign operations		(21,279)	(207,855)	112,670	(252,097)
COMPREHENSIVE LOSS		\$ (943,662)	\$ (831,326)	\$ (3,429,236)	(2,004,822)
LOSS PER SHARE –					
BASIC AND DILUTED		\$ (0.03)	\$ (0.03)	\$ (0.14)	\$ (0.10)
WEIGHTED AVERAGE NUMBER OF SUBORINDATE VOTING SHARES OUTSTANDING –					
BASIC AND DILUTED		27,096,726	20,487,428	25,549,317	17,147,031

The accompanying notes are integral to these consolidated financial statements.

WESTERN ALASKA MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(Unaudited, Expressed in United States Dollars)

	Notes	September 30, 2023	September 30, 2022
Cash flows used in operating activities			
Net loss for the period		\$ (3,541,906)	\$ (1,752,725)
Adjustments for non-cash items:			
Depreciation expense		-	811
Share-based payments	9	1,680,698	314,885
Interest accrued on Promissory Note	8	81,000	25,667
		(1,780,208)	(1,411,362)
Changes in non-cash working capital			
GST receivable		9,369	(26,377)
Prepays and deposits		(134,615)	(52,730)
Accounts payable and accrued liabilities	6	(135,681)	126,862
		(2,041,135)	(1,363,607)
Cash flows (used in) from investing activities			
Purchase of equipment	4	(666,368)	(540,210)
Exploration costs incurred	5	(5,201,499)	(6,064,799)
Long-term deposits	3	-	(347,898)
		(5,867,867)	(6,952,907)
Cash flows from (used in) financing activities			
Issuance of subordinate voting shares	9	5,919,531	12,606,744
Exercise of stock options	9	26,000	396,782
Repayment of Promissory Note		-	(100,000)
		5,945,531	12,903,526
Effect of exchange rate changes on cash		111,963	(250,363)
Net change in cash for the period		(1,851,508)	4,336,649
Cash, beginning of period		3,842,748	1,904,981
Cash, end of period		\$ 1,991,240	\$ 6,241,630
Cash flow supplemental			
Decrease in accounts payable for stock option exercise		\$ -	\$ 135,000
Change in long-term deposits related to purchase of equipment during the period		\$ 416,810	\$ -
Exploration and evaluation assets in accounts payable		\$ 663,856	\$ 651,407
Change in accounts payable related to exploration and evaluation assets during the period		\$ 513,744	\$ 466,332
Interest paid in cash		\$ -	\$ 21,333

WESTERN ALASKA MINERALS CORP.

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

(Unaudited, Expressed in United States Dollars, except number of shares)

	Shares			Option and Warrant Reserves	Reserve for Foreign Exchange	Accumulated Deficit	Total
	Subordinate Voting	Proportional Voting	Amount				
December 31, 2021	12,104,820	260,700	\$ 16,301,277	\$ 466,686	\$ (67,439)	\$ (3,336,526)	\$ 13,363,998
Decompression of proportional voting shares	2,205,700	(22,057)	-	-	-	-	-
Private placements, net	7,096,999	-	12,679,367	-	-	-	12,679,367
Issuance of finders' shares	36,585	-	-	-	-	-	-
Exercise of stock options	982,500	-	622,940	(90,640)	-	-	532,300
Share-based payments	-	-	-	316,619	-	-	316,619
Foreign translation exchange loss	-	-	-	-	(252,097)	-	(252,097)
Comprehensive loss	-	-	-	-	-	(1,752,725)	(1,752,725)
September 30, 2022	22,426,604	238,643	29,603,584	692,665	(319,536)	(5,089,251)	24,887,462
Decompression of proportional voting shares	1,384,200	(13,842)	-	-	-	-	-
Share-based payments	-	-	-	263,339	-	-	263,339
Foreign translation exchange loss	-	-	-	-	(3,546)	-	(3,546)
Comprehensive loss	-	-	-	-	-	(790,395)	(790,395)
December 31, 2022	23,810,804	224,801	29,603,584	956,004	(323,082)	(5,879,646)	24,356,860
Private placements, net	3,804,602	-	5,808,682	-	-	-	5,808,682
Issuance of broker warrants	-	-	-	110,849	-	-	110,849
Exercise of stock options	45,000	-	42,169	(16,169)	-	-	26,000
Share-based payments	-	-	-	1,680,698	-	-	1,680,698
Foreign translation exchange gain	-	-	-	-	112,670	-	112,670
Comprehensive loss	-	-	-	-	-	(3,541,906)	(3,541,906)
September 30, 2023	27,660,406*	224,801*	\$ 35,454,435	\$ 2,731,382	\$ (210,412)	\$ (9,421,552)	\$ 28,553,853

* The proportional voting shares are exchangeable into a total of 22,480,100 subordinate voting shares, for no additional consideration. See Note 9.

The accompanying notes are integral to these consolidated financial statements.

WESTERN ALASKA MINERALS CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(Unaudited, Expressed in United States Dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Western Alaska Minerals Corp. (“WAM” or the “Company”) was incorporated under the Business Corporations Act of British Columbia on April 8, 2020, as 1246779 B.C. Ltd. (“779”). The Company is a public company whose subordinate voting shares are listed for trading on the TSX Venture Exchange (“TSXV”) under the symbol “WAM”. The Company’s registered office is PO Box 881, Talkeetna, Alaska, 99676. As discussed further below, the Company is in the mineral exploration and development business.

Going Concern

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. The Company has no current source of operating revenue, has incurred a current net loss for the period ended September 30, 2023 of \$3,390,981 and has an accumulated operating deficit of \$9,270,627. The Company will require further financing to operate and further develop its business. The Company’s ability to realize its assets and discharge its liabilities is dependent upon it obtaining financing as necessary and ultimately upon its ability to dispose of its mineral property interests on a profitable basis or otherwise achieve profitable operations. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. Failure to arrange adequate financing on acceptable terms and/or achieve profitability may have an adverse effect on the financial position, results of operations, cash flows and prospects of the Company. These condensed interim consolidated financial statements do not give effect to adjustments to assets or liabilities that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard (“IAS”) 34 – Interim Financial Reporting. Accordingly, these condensed interim consolidated financial statements do not include all of the information required for full IFRS financial statements and therefore should be read in conjunction with the Company’s most recent annual consolidated financial statements for the year ended December 31, 2022, which were prepared in accordance with IFRS as issued by IASB.

The accounting policies and methods of application applied by the Company in these condensed interim consolidated financial statements are the same as those applied in the Company’s most recent audited consolidated financial statement for the year ended December 31, 2022.

WESTERN ALASKA MINERALS CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022***(Unaudited, Expressed in United States Dollars)*

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**Statement of Compliance (continued)**

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 22, 2023.

Basis of Presentation

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

Basis of Consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned and controlled entities. Control is achieved when the Company has the power to govern the financial operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases.

The following subsidiaries have been consolidated from all dates presented within these financial statements:

Subsidiary	Ownership	Location
Western Alaska Copper & Gold Company.	100%	USA
Piek Inc.	100%	USA

All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

These condensed interim consolidated financial statements are presented in United States dollars. The functional currency of each entity in the consolidated group is determined with reference to the currency of the primary economic environment in which that entity operates. Accordingly, the functional currency of entities operating principally in the United States will be the United States dollar, while the functional currency of entities operating principally in Canada will be the Canadian dollar.

Significant Estimates and Assumptions

The preparation of consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

WESTERN ALASKA MINERALS CORP.

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022**

(Unaudited, Expressed in United States Dollars)

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Significant Estimates and Assumptions (continued)

The Company bases its estimates and assumptions on current and various other factors that it believes to be reasonable under the circumstances. Management believes that estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

Assessment of Impairment Indicators

The Company assesses at each reporting period whether there is an indication of impairment. Significant judgment is applied in assessing whether indicators of impairment exist that would necessitate impairment testing. Internal and external factors, such as i) a significant decline in the market value of the Company's subordinate voting share price; ii) changes in the quantity of the recoverable resources and reserves; iii) changes in precious metal prices; and iv) changes in inflation, interest, and exchange rates, are evaluated in determining whether there are any indicators of impairment.

Significant Judgments

The preparation of 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 in preparing the Company's consolidated financial statements include:

- The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- The capitalization of expenditures with respect to exploration, evaluation, and development costs to be included in mineral rights and properties;
- A portion of the current portion of the Company's promissory note is based on the Company's history and its ability to raise financings;
- The functional currency of the Company and its subsidiaries is the currency of the primary economic environment in which the entity operates;
- The fair value and classification of financial instruments.

3. LONG TERM DEPOSITS

	September 30, 2023	December 31, 2022
Deposits for drilling equipment	\$ -	\$ 416,810

WESTERN ALASKA MINERALS CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022***(Unaudited, Expressed in United States Dollars)***4. EQUIPMENT**

Cost	Computer Software	Equipment	Vehicles	Total
Balance, December 31, 2021	\$ -	\$ -	\$ -	-
Additions	25,050	397,804	127,359	550,213
Balance, December 31, 2022	25,050	397,804	127,359	550,213
Additions	-	1,029,677	53,500	1,083,177
Balance, September 30, 2023	\$ 25,050	\$ 1,427,481	\$ 180,859	\$ 1,633,390
Accumulated Amortization				
Balance, December 31, 2021	\$ -	\$ -	\$ -	-
Charge	22,963	22,092	7,088	52,143
Balance, December 31, 2022	22,963	22,092	7,088	52,143
Charge	2,087	110,694	12,935	125,716
Balance, September 30, 2023	\$ 25,050	\$ 132,786	\$ 20,023	\$ 177,859
Net Book Value				
Balance, December 31, 2022	\$ 2,087	\$ 375,712	\$ 120,271	\$ 498,070
Balance, September 30, 2023	\$ -	\$ 1,294,695	\$ 160,836	\$ 1,455,531

The Company depreciates its equipment on a straight-line basis over the estimated useful lives of the assets. Management estimated the useful lives of its computer software to be 1 year, equipment to be 5 years and vehicles to be 10 years.

WESTERN ALASKA MINERALS CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

*(Unaudited, Expressed in United States Dollars)***5. EXPLORATION AND EVALUATION PROPERTIES**

Schedule of cumulative exploration and evaluation properties costs:

	Round Top Property	Honker Property	Illinois Creek Property	Total
	\$	\$	\$	\$
December 31, 2021	5,094,198	603,681	9,285,764	14,983,643
Claim maintenance	72,600	17,800	95,714	186,114
DNR permit fees	-	-	1,869	1,869
Assays	-	-	317,092	317,092
Camp food, supplies & accommodations	-	-	974,300	974,300
Camp labour/payroll costs	35,000	9,600	1,291,226	1,335,826
Consultant fees	6,917	-	280,195	287,112
Depreciation of equipment (Note 4)	-	-	50,903	50,903
Drilling	-	-	2,226,200	2,226,200
Equipment	-	-	475,095	475,095
Fuel	-	-	437,761	437,761
Fixed wing & fuel	-	-	923,421	923,421
Helicopter & fuel	-	-	194,813	194,813
Travel	-	-	156,715	156,715
Access route engineering	-	-	163,526	163,526
Other field expenses	-	-	103,497	103,497
December 31, 2022	5,208,715	631,081	16,978,091	22,817,887
Claim maintenance	-	-	2,319	2,319
DNR permit fees	150	150	150	450
Assays	-	-	190,627	190,627
Camp food, supplies & accommodations	-	-	602,379	602,379
Camp labour/payroll costs	-	-	522,153	522,153
Consultant fees	-	-	880,540	880,540
Depreciation of equipment (Note 4)	-	-	124,478	124,478
Drilling	-	-	1,267,366	1,267,366
Equipment	-	-	928,680	928,680
Fuel	-	-	179,793	179,793
Fixed wing & fuel	-	-	645,498	645,498
Helicopter & fuel	-	-	283,057	283,057
Travel	-	-	64,705	64,705
Access route engineering	-	-	25,791	25,791
Other field expenses	-	-	124,708	124,708
September 30, 2023	5,208,865	631,231	22,820,335	28,660,431

WESTERN ALASKA MINERALS CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022***(Unaudited, Expressed in United States Dollars)*

5. EXPLORATION AND EVALUATION PROPERTIES (continued)**Round Top Property, Alaska**

The Round Top Property consists of 92 state mineral claims, owned 100% by WACG, located in the Mount McKinley and Nulato mining districts of Alaska.

Honker Property, Alaska

The Honker Property consists of 24 state mineral claims, owned 100% by WACG, located in the Mount McKinley mining district of Alaska.

Illinois Creek Mine Project, Alaska

The Company has had an effective interest in this property since 2018. On March 31, 2021, WACG and one of its shareholders, Joe Piekenbrock, entered into a stock purchase agreement (the "Illinois Creek Agreement"), whereby WACG acquired 100% of the issued and outstanding common shares of an Alaska private company, Piek Incorporated ("Piek"), in exchange for 120 WACG common shares (valued at \$540,000) and \$3,698,000 payable by the issuance of a promissory note. See Note 8.

Piek was the sole owner of 110 state mineral claims, known as the Illinois Creek Project, located in the Mount McKinley mining district of Alaska. An additional 86 claims were staked by WACG in 2021 after the acquisition of Piek and 149 new claims were staked by WACG in 2022.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2023	December 31, 2022
Accounts payable	\$ 772,567	\$ 324,597
Accrued liabilities	256,496	327,971
Other payable	4,766	2,318
	<u>\$ 1,033,826</u>	<u>\$ 654,886</u>

7. RELATED PARTY TRANSACTIONS

Key management personnel include the Company's Board of Directors and members of senior management. The Company's related parties include key management personnel, and companies related by way of directors or shareholders in common.

Due to/from Related Parties

As at September 30, 2023, \$210,650 (December 31, 2022 - \$254,250) is included in accounts payable and accrued liabilities and \$2,785,333 (December 31, 2022 - \$2,704,333) in promissory note (Note 8) from amounts owing to related parties.

WESTERN ALASKA MINERALS CORP.**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022***(Unaudited, Expressed in United States Dollars)***7. RELATED PARTY TRANSACTIONS (continued)****Key Management Personnel Compensation**

	For the three months ended		For the nine months ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Consulting and professional fees:				
Directors and Officers	\$ 145,617	\$ 135,473	\$ 436,774	\$ 429,034

During the three and nine months ended September 30, 2023, the Company had share-based payments made to directors and management of \$165,287 and \$900,101 (September 30, 2022 - \$28,766 and \$152,540) respectively.

8. PROMISSORY NOTE

On March 31, 2021, and in accordance with the Illinois Creek Agreement, WACG issued a promissory note of \$3,698,000. The promissory note accrued interest at 2.0% per annum.

Under the terms of the promissory note, WACG made payments as follows:

- (i) \$498,000, together with the accrued interest was paid during the year ended December 31, 2021;
- (ii) \$500,000 was paid during the year ended December 31, 2022.

Effective April 1, 2023, the promissory note was amended by both parties to increase the interest rate to 5.0% per annum from the previous rate of 2.0% per annum.

On September 30, 2023, the promissory note was further amended by both parties as follows:

- (i) The Company will commence monthly principal repayments of \$25,000 at the later of March 31, 2024 or at the closing of the Company's next financings;
- (ii) The Company will make additional principal reduction payments equal to 6% of all future equity financings;
- (iii) A principal reduction payment of \$750,000.00 will be due on May 1, 2025;
- (iv) A principal reduction payment of the remaining balance and all accrued interest will be due on December 1, 2025.

As at September 30, 2023, the balance of the promissory note was \$2,785,333 with \$85,333 being accrued interest.

WESTERN ALASKA MINERALS CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(Unaudited, Expressed in United States Dollars)

9. SHARE CAPITAL

Authorized Share Capital

The Company is authorized to issue an unlimited number of subordinate voting shares without par value.

Common and Proportionate Shares

Pursuant to the RTO transaction, each WACG common share held by a U.S. resident shareholder was exchanged for either: (i) a “Merger Unit”, comprised of 1,000 WAM subordinate voting shares (“WAM subordinate voting shares” or “subordinate voting shares”) and 90 Proportional Shares (“WAM proportional shares” or “proportional shares”); or (ii) 100 Proportional Shares and each WACG common share held by a non-U.S. resident shareholder was exchanged for 10,000 WAM subordinate voting shares. The Proportional Shares are, in effect, subordinate voting shares compressed at the ratio of 100:1 which have voting and economic rights on an as-converted basis. The Proportional Shares are convertible to subordinate voting shares at the request of the shareholder and with the consent of the Company.

Issued Share Capital

On February 2, 2022, the Company's proportionate shareholders elected to convert 22,057 proportionate shares on a 1:100 conversion basis into 2,205,700 WAM subordinate voting shares.

On February 4, 2022, the Company issued 300,000 subordinate voting shares for gross proceeds of \$165,000 on exercise of stock options. \$20,900 was reclassified from Share Option Reserve to Share Capital.

On April 13, 2022, the Company issued 20,000 subordinate voting shares for gross proceeds of \$9,000 on exercise of stock options. \$4,494 was reclassified from Share Option Reserve to Share Capital.

On May 5, 2022, the Company completed a private placement and raised \$3,902,667 (CAD\$5,004,000) by issuing 4,170,000 subordinate voting shares at a price of CAD\$1.20 per share. The Company also paid finders' fees of \$97,754 (CAD\$125,446) to certain finders who assisted with the private placement.

In July 2022, the Company issued 580,000 subordinate voting shares for gross proceeds of \$318,300 on exercise of stock options. \$49,764 was reclassified from Share Option Reserve to Share Capital.

In August 2022, the Company issued 82,500 subordinate voting shares for gross proceeds of \$40,000 on exercise of stock options. \$15,482 was reclassified from Share Option Reserve to Share Capital.

On August 22, 2022, the Company completed the first tranche of a private placement and raised \$7,480,397 (CAD\$9,750,698) by issuing 2,378,219 subordinate voting shares at a price of CAD\$4.10 per share. The Company also paid cash finders' fees of \$270,734 (CAD\$352,901) and issued 36,585 finders' shares, with a fair value of \$115,074 (CAD\$149,999) to certain finders who assisted with the private placement.

On September 6, 2022, the Company completed the final tranche of a private placement and raised \$1,712,458 (CAD\$2,249,998) by issuing 548,780 subordinate voting shares at a price of CAD\$4.10 per share.

WESTERN ALASKA MINERALS CORP.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023 AND 2022

(Unaudited, Expressed in United States Dollars)

9. SHARE CAPITAL (continued)

Issued Share Capital (continued)

On December 15, 2022, 13,482 proportional voting shares were converted on a 1:100 basis into 1,348,200 WAM subordinate voting shares.

On February 1, 2023, the Company issued 20,000 subordinate voting shares for gross proceeds of \$9,000 on exercise of stock options. \$3,192 was reclassified from Share Option Reserve to Share Capital.

On May 4, 2023, the Company issued 2,982,049 units in a private placement for CAD\$2.35 per unit. Each unit consists of one common share of the Company and one half warrant with an exercise price of CAD\$3.15 per share for a period of 36 months. The fair value of the warrants is \$nil valued using the residual method. In addition, the Company paid cash commission of \$298,886 (CAD\$405,469) and issued 172,540 Broker Warrants to the agents. Each Broker Warrant entitles the holder to purchase one unit of the private placement for a period of 24 months following the closing of the private placement. The fair value of Broker Warrants is \$110,541 (CAD\$149,960) and is allocated to share issuance costs.

On June 23, 2023, the Company issued 25,000 subordinate voting shares for gross proceeds of \$17,000 on exercise of stock options. \$12,977 was reclassified from Share Option Reserve to Share Capital.

On September 1, 2023, the Company issued 756,382 units in the first tranche of a private placement for CAD\$2.05 per unit, and on September 14, 2023, the Company issued 66,171 units in the final tranche. Each unit consists of one common share of the Company and one half warrant with an exercise price of CAD\$3.15 per share for a period of 36 months. The fair value of the warrants is \$nil valued using the residual method. In addition, the Company paid cash commission of \$1,766 (CAD\$2,399) and issued 1,170 Finder Warrants to the agents. Each Finder Warrant entitles the holder to purchase one unit of the private placement for a period of 36 months following the closing of the private placement. The fair value of Finder Warrants is \$308 (CAD\$417) and is allocated to share issuance costs.

Stock Options

The Company has a stock option plan under which the Board of Directors may grant options to acquire subordinate voting shares to the Company to qualified directors, officers, employees, and other service providers. The stock option vests according to the provisions of the individual option agreements approved by the directors' resolutions and have a maximum 10 years. The plan allows for the issuance up to 10% of the number of issued and outstanding subordinate voting shares of the Company at any time on a non-diluted basis.

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The changes in stock options are summarized as follows:

	Weighted Average Exercise Price*	Number of WAM Subordinate voting shares Issued or Issuable on Exercise*
Balance at December 31, 2021	\$ 0.55*	3,505,000
Granted	1.60	535,000
Exercised	0.54	(982,500)
Balance at December 31, 2022	0.73	3,057,500
Granted	2.33	1,265,000
Exercised	0.58	(45,000)
Balance at September 30, 2023	1.21	4,277,500

* The weighted average exercise price and number of subordinate voting shares issued or issuable on exercise have been adjusted for 1:10,000 split.

On January 27, 2022, the Company granted 25,000 options to an employee of the Company. These options may be exercised within 5 years from the date of the grant at a price of \$0.76 (CAD\$0.96) per common share and are vested 25% every six months starting from January 27, 2022, onwards.

On May 19, 2022, the Company granted 275,000 options to directors and consultants of the Company. These options may be exercised within 5 years from the date of the grant at a price of \$1.29 (CAD\$1.65) per common share. 190,000 options are vested 50% on grant date and 25% every six months starting from November 13, 2022 onwards. 85,000 options are vested 25% every six months starting from May 19, 2022, onwards.

On November 8, 2022, the Company granted 235,000 options to employees of the Company. These options may be exercised within 5 years from the date of the grant at a price of \$2.05 (CAD\$2.75) per common share and are vested 1/3 every year starting from November 8, 2022, onwards.

On January 20, 2023, the Company granted 1,165,000 options to directors and officers of the Company. These options may be exercised within 5 years from the date of the grant at a price of \$2.36 (CAD\$3.16) per common share and are vested 1/3 every year starting from January 20, 2023, onwards.

On April 6, 2023, the Company granted 100,000 options to an employee of the Company. These options may be exercised within 5 years from the date of the grant at a price of \$2.00 (CAD\$2.70) per common share and are vested 1/3 every year starting from April 6, 2023, onwards.

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The following assumptions were used for the Black-Scholes pricing model calculations:

	January 27, 2022	May 19, 2022	November 8, 2022	January 20, 2023	April 6, 2023
Risk-free interest rate	1.65%	2.60%	3.67%	2.88%	2.98%
Expected stock price volatility	104.61%	102.92%	120.67%	101.34%	100.86%
Expected option life in years	5 years	5 years	5 years	5 years	5 years
Dividend rate	Nil	Nil	Nil	Nil	Nil

Stock options outstanding and exercisable on September 30, 2023, are summarized as follows:

Exercise Price (USD)	Outstanding		Exercisable	
	Number of Subordinate voting shares Issuable on Exercise	Weighted Average Remaining Life (Years)	Number of Subordinate voting shares Issuable on Exercise	Weighted Average Remaining Life (Years)
\$ 0.65	610,000	0.73	610,000	0.73
\$ 0.45	690,000	2.42	690,000	2.42
\$ 0.45	650,000	2.71	650,000	2.71
\$ 0.68	527,500	3.12	527,500	3.12
\$ 0.76	25,000	3.33	25,000	3.33
\$ 1.29	275,000	3.64	253,750	3.64
\$ 2.05	235,000	4.11	78,333	4.11
\$ 2.36	1,165,000	4.31	384,450	4.31
\$ 2.00	100,000	4.52	33,333	4.52
	4,277,500	3.05	3,252,366	2.66

Warrants

The following table summarizes information about warrants outstanding as at September 30, 2023:

	Date Issued	Expiry Date	Exercise Price (USD)	Number of Warrants Outstanding
Outstanding at December 31, 2022				-
Broker warrants	May 4, 2023	May 4, 2025	1.73	172,540
Private placement warrants	May 4, 2023	May 4, 2026	2.32	1,491,024
Private placement warrants	September 1, 2023	September 1, 2026	2.32	378,191
Finder warrants	September 1, 2023	September 1, 2026	2.32	1,170
Private placement warrants	September 14, 2023	September 14, 2026	2.33	33,086
Outstanding at September 30, 2023			2.27*	2,076,011

*The weighted average exercise price and weighted average life are USD\$2.27 and 2.58 years, respectively.

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The Company's Private placement warrants and Finder warrants are warrants that when exercised by the holder, the Company will issue one share for each warrant exercise. For the Broker warrants, the holder receives one share and one Private placement warrants for each Broker warrant exercise.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT**Financial Assets and Liabilities**

Information regarding the Company's financial assets and liabilities as at September 30, 2023 and December 31, 2022 are summarized as follows:

	September 30, 2023		December 31, 2022	
Financial Assets				
At amortized cost				
Cash	\$	1,991,240	\$	3,842,748
	\$	1,991,240	\$	3,842,748
Financial Liabilities				
At amortized cost				
Accounts payable and accrued liabilities	\$	1,033,826	\$	654,886
Promissory note		2,785,333		2,704,333
	\$	3,819,159	\$	3,359,219

Financial Instrument Risk Exposure

The fair value of financial assets and financial liabilities at amortized cost is determined in accordance with generally accepted pricing models based on discounted cash flow analysis or using prices from observable current market transactions. The Company considers that the carrying amount of all its financial assets and financial liabilities recognized at amortized cost in the financial statements approximates their fair value due to the demand nature or short-term maturity of these instruments.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (continued)

Financial Instrument Risk Exposure (continued)

Currency Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's exposure to currency risk is limited as the majority of its expenditures are denominated in the same currency as its functional currency.

Commodity Price Risk

Commodity price risk is the risk that the fair value or expected future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States dollar, as outlined above. As the Company has not yet developed commercial mineral interests, it is not exposed to commodity price risk at this time. However, the Company is exposed to commodity price risk as it impacts the Company's access to capital and funding.

Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. The risk that the Company will realize a loss as a result of a decline in the fair value of cash and term deposits is limited because of their short-term investment nature. A variable rate of interest is earned on cash and term deposits, changes in market interest rates at the year-end would not have a material impact on the Company's financial statements.

Market Risk

Market risk consists of currency risk, commodity price risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable limits while maximizing returns.

Environmental Risk

The Company is engaged in resource exploration and development and is accordingly exposed to environmental risks associated with such activity. Management is of the opinion that the Company addresses environmental risk and compliance in accordance with industry standards and specific project environmental requirements; however, there is no certainty that all environmental exposure has been addressed.

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11. CAPITAL MANAGEMENT

The Company's primary objectives in capital management are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and to maintain sufficient funds for the development and exploration of its mineral properties. Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.