



Condensed Consolidated Interim Financial Statements

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

To the shareholders of Grizzly Discoveries Inc.:

The condensed consolidated interim financial statements of Grizzly Discoveries Inc. (the "Company") for the three and six months ended January 31, 2024 and 2023 have been compiled by management.

No audit or review of this information has been performed by the Company's auditors.

GRIZZLY DISCOVERIES INC.  
Condensed consolidated interim statements of financial position

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As at	January 31 2024 <i>(unaudited)</i>	July 31 2023
<b>ASSETS</b>		
Current		
Cash and cash equivalents	\$ 223,464	\$ 181,629
Restricted cash (note 3)	5,000	5,000
Other current assets (note 4)	<u>318,307</u>	<u>311,320</u>
	546,771	497,949
Deposit		
Mineral properties (note 5)	<u>34,402</u>	<u>33,508</u>
	<u>9,877,654</u>	<u>9,345,256</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 10,458,827</u></b>	<b><u>\$ 9,876,713</u></b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	\$ 484,855	\$ 249,830
Deferred flow through share premium (note 6)	<u>1,994</u>	<u>-</u>
	486,849	249,830
Reclamation provision		
	<u>15,000</u>	<u>15,000</u>
<b>TOTAL LIABILITIES</b>	<b><u>501,849</u></b>	<b><u>264,830</u></b>
<b>EQUITY</b>		
Share capital (note 6)	24,118,605	23,657,276
Warrant capital (note 6)	708,776	566,711
Unit subscriptions received (note 6)	-	84,230
Contributed surplus	3,887,750	3,831,250
Deficit	<u>(18,758,153)</u>	<u>(18,527,584)</u>
<b>TOTAL EQUITY</b>	<b><u>9,956,978</u></b>	<b><u>9,611,883</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>\$ 10,458,827</u></b>	<b><u>\$ 9,876,713</u></b>

Approved by the Board of Directors

Director (signed by) "Brian Testo"

Director (signed by) "Sam Pillersdorf"

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

## Condensed consolidated interim statements of net loss and comprehensive loss

For the	three months ended January 31		six months ended January 31	
	2024	2023	2024	2023
<b>EXPENSES</b>				
General and administration (note 7)	\$ (115,908)	\$ (168,106)	\$ (237,302)	\$ (265,162)
Impairment	(3,414)	(3,414)	(3,414)	(4,260)
Share based compensation (note 6)	-	-	(25,000)	-
Reclamation	-	(212,225)	-	(212,225)
<b>TOTAL EXPENSES</b>	<b>(119,322)</b>	<b>(383,745)</b>	<b>(265,716)</b>	<b>(481,647)</b>
<b>OTHER INCOME (LOSS)</b>				
Flow through share premium	20,862	147,118	51,131	326,812
Interest income	2,771	12,097	7,232	28,237
Unrealized (loss) gain on marketable securities	(9,170)	2,769	(23,216)	(2,334)
<b>TOTAL OTHER INCOME</b>	<b>14,463</b>	<b>161,984</b>	<b>35,147</b>	<b>352,715</b>
<b>NET LOSS AND COMPREHENSIVE LOSS</b>	<b>\$ (104,859)</b>	<b>\$ (221,761)</b>	<b>\$ (230,569)</b>	<b>\$ (128,582)</b>
<b>BASIC AND DILUTED LOSS PER COMMON SHARE</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
Weighted average number of common shares outstanding	<b>150,078,423</b>	141,242,623	<b>149,251,134</b>	139,266,420

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

## GRIZZLY DISCOVERIES INC.

## Condensed consolidated interim statements of changes in equity

*(unaudited)***For the six months ended January 31, 2024**

	<b>Number of common shares</b>	<b>Share capital</b>	<b>Warrant capital</b>	<b>Unit Subscriptions Received</b>	<b>Contributed surplus</b>	<b>Deficit</b>	<b>Total equity</b>
As at July 31, 2023	142,159,760	\$ 23,657,276	\$ 566,711	\$ 84,230	\$ 3,831,250	\$ (18,527,584)	\$ 9,611,883
Net income and comprehensive income	-	-	-	-	-	(230,569)	(230,569)
Private placements	10,059,859	512,716	173,565	(84,230)	-	-	602,051
Share based compensation	-	-	-	-	25,000	-	25,000
Warrants expired	-	-	(31,500)	-	31,500	-	-
Shares issued as consideration for mineral properties	50,000	2,500	-	-	-	-	2,500
Share issuance costs	400,000	(53,887)	-	-	-	-	(53,887)
<b>January 31, 2024</b>	<b>152,669,619</b>	<b>\$ 24,118,605</b>	<b>\$ 708,776</b>	<b>\$ -</b>	<b>\$ 3,887,750</b>	<b>\$ (18,758,153)</b>	<b>\$ 9,956,978</b>

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

	<b>Number of common shares</b>	<b>Share capital</b>	<b>Warrant capital</b>	<b>Unit Subscriptions Received</b>	<b>Contributed surplus</b>	<b>Deficit</b>	<b>Total equity</b>
As at July 31, 2022	137,186,227	\$ 23,138,140	\$ 735,126	\$ -	\$ 3,547,918	\$ (17,792,018)	\$ 9,629,166
Net income and comprehensive income	-	-	-	-	-	(128,932)	(128,932)
Warrants exercised	3,390,220	353,014	(81,183)	-	-	-	271,831
Warrants expired	-	-	(51,870)	-	51,870	-	-
Options Exercised	800,000	95,000	-	-	(43,000)	-	52,000
Shares issued as consideration for mineral properties	50,000	6,000	-	-	-	-	6,000
Share issuance costs	-	(2,384)	-	-	-	-	(2,384)
<b>January 31, 2023</b>	<b>141,426,427</b>	<b>\$ 23,589,770</b>	<b>\$ 602,073</b>	<b>\$ -</b>	<b>\$ 3,556,788</b>	<b>\$ (17,920,950)</b>	<b>\$ 9,827,681</b>

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

## GRIZZLY DISCOVERIES INC.

## Condensed consolidated interim statements of cash flows

*(unaudited)*

For the six months ended January 31

2024

2023

**CASH PROVIDED BY (USED IN):****OPERATING ACTIVITIES:**

Net loss	\$ (230,569)	\$ (128,932)
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Items not affecting cash and cash equivalents:

Impairment	3,414	4,260
Unrealized loss on marketable securities	23,216	2,334
Flow through share premium	(51,131)	(326,812)
Share based compensation	25,000	-

Changes in non-cash working capital:

Other current assets	(3,601)	8,562
Accounts payable and accrued liabilities	(163,736)	63,893
Reclamation obligation	-	(120,768)

Cash and cash equivalents used in operating activities

<b>(397,407)</b>	<b>(497,463)</b>
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**INVESTING ACTIVITIES:**

Deposit	(894)	(876)
Mineral property expenditures	(159,214)	(1,103,064)

Cash and cash equivalents used in investing activities

<b>(160,108)</b>	<b>(1,103,940)</b>
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**FINANCING ACTIVITIES:**

Proceeds from exercise of warrants	-	271,831
Proceeds from exercise of options	-	52,000
Proceeds from private placement	613,575	-
Costs of share issuance	(14,225)	(1,754)

Cash and cash equivalents provided by financing activities

<b>599,350</b>	<b>322,077</b>
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**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS**

<b>41,835</b>	<b>(1,279,326)</b>
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Cash and cash equivalents – beginning of period

<b>181,629</b>	<b>2,153,007</b>
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**CASH AND CASH EQUIVALENTS – END OF PERIOD**

<b>\$ 223,464</b>	<b>\$ 873,681</b>
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See Note 8 for supplemental cash flow information.

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

## 1. Nature of operations and going concern

Grizzly Discoveries Inc. (the “Company” or “Grizzly”) was incorporated on May 31, 2002 in Alberta and is in the business of acquiring and exploring mineral properties located in Canada. The Company has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company’s registered office is Suite 3400, 350 7 Avenue SW, Calgary, Alberta, T2P 3N9. The Company’s head office is at Suite 363 – 9768 170 Street NW, Edmonton, Alberta, T5T 5L4.

Long-term continuance of the Company’s operations is dependent upon achieving profitable operations and obtaining additional equity or debt financing. The recoverability of the carrying values of the Company’s mineral properties is dependent upon the existence and discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production from or proceeds from the disposition of mineral properties.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. As at January 31, 2024, the Company has a deficit of \$18,758,153 (July 31, 2023 - \$18,527,584) and the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable. These material uncertainties may cast significant doubt regarding the Company’s ability to continue as a going concern. At the current stage of the Company’s development, the ability of the Company to continue as a going concern is dependent upon its ability to obtain additional sources of financing. Management’s intentions are to continue to pursue additional financing. If the Company is unsuccessful in obtaining additional financing to fund operations and the exploration and development of its mineral properties, the going concern assumption may not be appropriate and adjustments would be necessary to the carrying value of assets and liabilities and reported revenues and expenses. Such adjustments may be material.

## 2. Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) for interim financial statements as specified in International Accounting Standard 34 – *Interim financial reporting* (“IAS 34”) issued by the International Accounting Standards Board (“IASB”). These condensed consolidated interim financial statements do not contain all of the disclosures required for financial statements in accordance with IFRS and should be read in conjunction with the consolidated financial statements of the Company for the year ended July 31, 2023.

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary Alberta Potash Corp. (incorporated in Alberta). All intercompany balances and transactions have been eliminated on consolidation.

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in Canadian Dollars, the Company’s functional currency, unless otherwise noted.

These consolidated financial statements were approved by the Audit Committee on behalf of the Board of Directors of the Company on April 1, 2024.

## 3. Restricted cash

The Company has restricted cash in the amount of \$5,000 (July 31, 2023 - \$5,000) as security for corporate credit card liabilities.

## GRIZZLY DISCOVERIES INC.

## Notes to the condensed consolidated interim financial statements

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

*(unaudited)***4. Other current assets**

As at	January 31 2024	July 31 2023
Accounts receivable	\$ 1,139	\$ 5,824
Goods and services tax receivable	36,515	31,281
Mineral exploration tax credits receivable	111,506	84,904
Prepayments and deposits	159,209	156,157
Marketable securities	9,938	33,154
<b>Total other current assets</b>	<b>\$ 318,307</b>	<b>\$ 311,320</b>

The Company holds securities of publicly traded companies which it has classified as FVTPL, carried at fair value, with unrealized gains and losses held as a component of net loss.

**5. Mineral properties**

	Alberta Diamond Properties	Alberta Potash Properties	BC Precious Metals Properties	Total
Balance, July 31, 2022	\$ 1	\$ 1	\$ 7,752,757	\$ 7,752,759
Acquisition costs	3,878	9,572	45,731	59,181
Exploration and evaluation costs	-	-	1,551,766	1,551,766
Recoveries	-	-	(5,000)	(5,000)
Impairment	(3,878)	(9,572)	-	(13,450)
Balance, July 31, 2023	1	1	9,345,254	9,345,256
<b>Acquisition costs</b>	<b>-</b>	<b>-</b>	<b>18,093</b>	<b>18,093</b>
<b>Exploration and evaluation costs</b>	<b>-</b>	<b>-</b>	<b>514,305</b>	<b>514,305</b>
<b>Impairment</b>	<b>-</b>	<b>3,414</b>	<b>-</b>	<b>3,414</b>
<b>Balance, January 31, 2024</b>	<b>\$ 1</b>	<b>\$ 1</b>	<b>\$ 9,877,652</b>	<b>\$ 9,877,654</b>

*Midway-Beaverdell Option Agreement*

On October 10, 2023, the Company entered into an option agreement with an arm's length individual to purchase the mineral rights to 761.25 hectares (1,881 acres) in six (6) mineral claims in the Greenwood Mining District ("Midway-Beaverdell Option Agreement").

Under the terms of the Midway-Beaverdell Option Agreement, the Company may earn a 100% interest in the Midway-Beaverdell claims by paying \$7,500 in cash and issuing 150,000 common shares of Grizzly by the third anniversary date of the agreement. The optioner retains a 1% Net Smelter Royalty and the right to any quarriable rocks. The Company paid the first option payment of \$5,000 in cash and issued 50,000 common shares, recorded at a value of \$2,500, in the six months ended January 31, 2024.



**6. Share capital***Common shares*

The Company's articles authorize an unlimited number of common shares with no par value and an unlimited number of preferred shares. The Company has not issued any preferred shares. A summary of changes in common share capital is as follows:

	Number of Shares	Weighted average issue price	Amount
Balance, July 31, 2022	137,186,227		\$ 23,138,140
Shares issued on exercise of warrants	4,048,533	\$ 0.081	326,789
Warrant capital reclassified	-		96,583
Shares issued on exercise of options	800,000	\$ 0.065	52,000
Contributed surplus reclassified	-		43,000
Shares issued as consideration for mineral property	125,000	\$ 0.096	12,000
Costs of share issuance	-		(11,236)
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Balance, July 31, 2023	142,159,760		23,657,276
Shares issued in private placements	10,459,859	\$ 0.049	512,716
Shares issued as consideration for mineral property	50,000	\$ 0.050	2,500
Costs of share issuance	-		(53,887)
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<b>Balance, January 31, 2024</b>	<b>152,669,619</b>		<b>\$ 24,118,605</b>

*Private Placement (August 2023)*

On August 15, 2023, the Company closed on a private placement by the issuance of 1,771,859 Units (as defined below) at a price of \$0.07 per Unit and 5,312,500 FT Units at a price of \$0.08 per FT Unit for gross proceeds of \$549,030.

Each Unit consisted of one common share of the Company ("Common Share") and one half of one non-transferrable warrant ("Warrant") and each FT Unit consisted of one Common Share issued as a flow through share for the purposes of the Income Tax Act (Canada) and one half of one Warrant. Each whole Warrant entitles the holder to acquire one additional Common Share at an exercise price of \$0.10 per Common Share until the earlier of: (a) 30 days following written notice by the Issuer to the Subscriber that the volume-weighted average trading price of the Common Shares on the TSX Venture Exchange is at or greater than CA\$0.12 per Common Share for 10 consecutive trading days; and (b) August 15, 2025.

In connection with the Offering, the Company issued 400,000 Units and 400,000 Finder Warrants (non-transferrable, with the same terms and expiry date as the Warrants) to agents.

The Company has allocated the proceeds of the private placement using the relative fair value method. The proceeds to the common shares was \$375,471, to the warrants was \$120,434, and to the deferred flow through liability was \$53,125. The 400,000 commission Units have been allocated as \$21,200 to the common shares and \$6,800 to the Warrants. The 400,000 Finder Warrants were recorded at an estimated fair value of \$13,600.

At July 31, 2023, the Company had received \$84,230 from a subscriber in advance of closing.

*Private Placement (January, 2024)*

On January 19, 2024, the Corporation closed on a private placement by the issuance of 2,975,500 Units at a price of \$0.05 per Unit for gross proceeds of \$148,775.

Under the terms of the offering, each Unit consisted of one common share of the Company (“Common Share”) and one half of one warrant (“Warrant”). Each whole Warrant entitles the holder to acquire one additional Common Share at an exercise price of \$0.07 per Common Share and shall expire on the earlier of: (a) 30 days following written notice by the Issuer to the Subscriber that the volume-weighted average trading price of the Common Shares on the TSX Venture Exchange is at or greater than CA\$0.10 per Common Share for 10 consecutive trading days; and (b) January 19, 2026.

The Common Shares and any Common Shares issued on exercise of the Warrants are subject to restrictions on trading until May 20, 2024 in accordance with the policies of the TSX Venture Exchange.

The Company has allocated the proceeds of the private placement using the relative fair value method. The proceeds to the common shares was \$116,045, and \$32,730 to the warrants.

*Common share purchase warrants*

A summary of changes in common share purchase warrant capital is as follows:

	Number of Warrants	Weighted average issue price	Amount
Balance, July 31, 2022	29,318,629		\$ 735,126
Warrants exercised	(4,048,533)	\$ 0.024	(96,583)
Warrants expired	(2,843,404)	\$ 0.025	(71,832)
Balance, July 31, 2023	22,426,692		566,711
Warrants issued in private placement	5,629,929	\$ 0.031	173,565
Warrants expired	(1,750,000)	\$ 0.018	(31,500)
<b>Balance, January 31, 2024</b>	<b>26,306,621</b>		<b>\$ 708,776</b>

## GRIZZLY DISCOVERIES INC.

## Notes to the condensed consolidated interim financial statements

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

*(unaudited)*

A summary of share purchase warrants outstanding is as follows:

As at January 31, 2024				As at July 31, 2023			
Exercise price	Warrants outstanding	Warrants exercisable	Years to expiry	Exercise price	Warrants outstanding	Warrants exercisable	Years to expiry
\$ -	-	-	-	\$ 0.075	1,750,000	1,750,000	0.4
\$ 0.075	2,760,040	2,760,040	0.1	\$ 0.075	2,760,040	2,760,040	0.6
\$ 0.080	16,498,875	16,498,875	0.2	\$ 0.080	16,498,875	16,498,875	0.7
\$ 0.120	1,417,777	1,417,777	0.4	\$ 0.120	1,417,777	1,417,777	0.9
\$ 0.100	4,142,179	4,142,179	1.5	\$ -	-	-	-
\$ 0.070	1,487,750	1,487,750	2.0	\$ -	-	-	-
<b>\$ 0.084</b>	<b>26,306,621</b>	<b>26,306,621</b>	<b>0.5</b>	<b>\$ 0.082</b>	<b>22,426,692</b>	<b>22,426,692</b>	<b>0.7</b>

*Common share purchase options*

A summary of stock option activity is as follows:

	Number of options	Weighted average exercise price
Outstanding stock options, July 31, 2022	7,350,000	\$ 0.08
Issued	3,550,000	\$ 0.09
Exercised	(800,000)	\$ 0.07
Expired	(250,000)	\$ 0.10
Outstanding stock options, July 31, 2023	9,850,000	\$ 0.09
Issued	500,000	\$ 0.09
Expired	(1,150,000)	\$ 0.10
Outstanding stock options, January 31, 2024	9,200,000	\$ 0.09

## GRIZZLY DISCOVERIES INC.

## Notes to the condensed consolidated interim financial statements

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

*(unaudited)*

A summary of stock options outstanding is as follows:

As at January 31, 2024				As at July 31, 2023			
Exercise price	Options outstanding	Options exercisable	Years to expiry	Exercise price	Options outstanding	Options exercisable	Years to expiry
\$ -	-	-	-	\$ 0.100	750,000	750,000	0.0
\$ -	-	-	-	\$ 0.100	300,000	300,000	0.3
\$ 0.050	250,000	250,000	0.8	\$ 0.050	250,000	250,000	1.3
\$ 0.080	250,000	250,000	1.5	\$ 0.080	250,000	250,000	2.0
\$ -	-	-	-	\$ 0.075	100,000	100,000	0.2
\$ 0.060	1,470,000	1,470,000	2.0	\$ 0.060	1,470,000	1,470,000	2.5
\$ 0.090	3,180,000	3,180,000	3.4	\$ 0.090	3,180,000	3,180,000	3.9
\$ 0.110	300,000	300,000	4.0	\$ 0.110	300,000	300,000	4.5
\$ 0.090	3,250,000	3,250,000	4.2	\$ 0.090	3,250,000	3,250,000	4.7
\$ 0.090	250,000	250,000	4.6	\$ -	-	-	-
\$ 0.090	250,000	250,000	4.7	\$ -	-	-	-
<b>\$ 0.085</b>	<b>9,200,000</b>	<b>9,200,000</b>	<b>3.4</b>	<b>\$ 0.086</b>	<b>9,850,000</b>	<b>9,850,000</b>	<b>3.4</b>

During the six months ended January 31, 2024, the Company issued an aggregate of 500,000 (2023 – nil) stock options to consultants at a weighted average exercise price of \$0.09 per common share and expiring no later than 5 years from the issue date. These options all vested upon issuance.

The total estimated fair value of the 500,000 common share purchase options vested during the year of \$25,000 was recorded as share based compensation expense and an increase to contributed surplus. The weighted average grant date fair value of \$0.050 per option granted was estimated using the Black Scholes option pricing model using the following weighted average grant date assumptions: grant date stock price \$0.06; risk-free rate 4.26%; expected volatility 141%; annual dividend yield 0%, and; expected life of option 5 years. The expected volatility is based on historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility due to publicly available information.

**7. General and administrative expenses**

For the	three months ended January 31		six months ended January 31	
	2024	2023	2024	2023
Advertising and promotion	\$ 31,964	\$ 64,749	\$ 77,613	\$ 96,093
Conferences and corporate travel	5,237	23,128	10,439	32,751
Consulting fees	51,000	55,060	102,000	89,310
Office and administration	17,255	7,495	26,412	17,864
Regulatory and transfer fees	12,802	11,842	21,688	19,977
Professional fees	(2,350)	5,482	850	8,817
	<b>\$ 115,908</b>	<b>\$ 167,756</b>	<b>\$ 237,302</b>	<b>\$ 264,812</b>

**8. Supplemental Cash Flow Information***Interest and dividends received and paid*

During the three and six months ended January 31, 2024, the Company received interest of \$2,771 and \$7,232 respectively (2023 - \$12,097 and \$28,237 respectively) from deposits with its financial institution. The Company did not pay any interest or dividends, nor did it receive any dividends, in either of the three or six month periods ended January 31, 2024 or 2023.

*Non-cash transactions eliminated from the consolidated statements of cash flows*

The following table lists non-cash transactions which were recorded in the six months ended January 31, 2024 and 2023 and have been eliminated from the consolidated statements of cash flows.

<b>For the six months ended January 31</b>	<b>2023</b>	<b>2022</b>
Increase in accounts payable related to investing activities	\$ 400,700	\$ 145,937
Increase (Decrease) in accounts payable related to financing activities	\$ (1,939)	\$ 630
Shares issued for mineral property acquisition recorded as an increase to the carrying value of Mineral Properties	\$ 2,500	\$ 6,000
Mineral tax credits recorded as an increase (decrease) to the carrying value of Mineral Properties	\$ (26,602)	\$ 9,021
Fair value of Finder Warrants recorded as share issuance costs (decrease to share capital)	\$ 31,500	\$ 2,700