ANS Exploration Corp.

Consolidated Financial Statements

For the year ended December 31, 2023 and from the period from incorporation on May 4, 2022, to December 31, 2022

Expressed in Canadian dollars

Charlton
+Company

INDEPENDENT AUDITOR'S REPORT

To the Directors of:
ANS Exploration Corp.

Opinion

We have audited the accompanying consolidated financial statements of ANS Exploration Corp (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year ended December 31, 2023 and from the period from incorporation on May 4, 2022, to December 31, 2022 , and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2023 and 2022, and its financial performance and its cash flows for the year ended December 31, 2023 and from the period from incorporation on May 4, 2022, to December 31, 2022 in accordance with IFRS.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a net loss of $953,299 during the year ended December 31, 2023 and, as of that date, the Company's total deficit was $1,315,334. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Charlton & Company

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC
August 15, 2024

ANS EXPLORATION CORP.

Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	**December 31, 2023**	December 31,2022
Assets			
Current assets			
Cash		**$ 117,252**	$ 262,771
Prepaid expenses		**8,994**	1,293
Due from Altau Resources	5	**83,030**	-
		209,276	264,064
Non-current assets			
Equipment	6	**48,811**	5,760
Total assets		**$ 258,087**	$ 269,824
Liabilities and Shareholders' Equity			
Current liabilities			
Accounts payable and accrued liabilities	10	**$ 107,646**	$ 53,803
Total liabilities		**107,646**	53,803
Shareholders' equity			
Share capital	8	**1,402,025**	578,056
Shares subscribed	8	**63,750**	-
Deficit		**(1,315,334)**	(362,035)
Total shareholders' equity		**150,441**	216,021
Total liabilities and shareholders' equity		**$ 258,087**	$ 269,824

Nature of operations and going concern (note 1)

Commitments (note 5)

Subsequent events (note 5, 8 and 14)

The consolidated financial statements were approved for issuance by the Board of Directors by:

/s/ "Christoph Zinsser"	*/s/ "Christopher Schmidt"*
Director	Director

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

ANS EXPLORATION CORP.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

	Notes		Year Ended December 31, 2023		From the period from incorporation on May 4, 2022, to December 31,2022
Mineral expenses					
Exploration and evaluation expenses	7, 10	**$**	**797,925**	$	343,411
Operating expenses					
Depreciation	6		**5,484**		640
Foreign exchange			**4,535**		-
Marketing and communication			**1,637**		-
Office and other			**5,868**		1,855
Professional fees	10		**132,406**		16,129
Operating loss			**(947,855)**		(362,035)
Write-off of equipment	6		**(5,444)**		-
Loss and comprehensive loss for the year		**$**	**(953,299)**	$	(362,035)
Weighted average shares outstanding – basic and diluted			**19,238,603**		8,637,137
Basic and diluted loss per share		**$**	**(0.05)**	$	(0.04)

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

ANS EXPLORATION CORP.

Consolidated Statements of Cash Flow

(Expressed in Canadian dollars)

	Year Ended December 31, 2023	From the period from incorporation on May 4, 2022, to December 31,2022
Cash flows provided by (used in):		
Operating activities		
Loss for the year	**$ (953,299)**	$ (362,035)
Items not involving cash:		
Depreciation	**5,484**	640
Write-off of equipment	**5,444**	-
Changes in non-cash working capital items:		
Prepaid expenses	**(7,701)**	(1,293)
Accounts payable and accrued liabilities	**71,343**	53,803
Cash used in operating activities	**(878,729)**	(308,885)
Investing activities		
Purchases of equipment	**(53,979)**	(6,400)
Due from Altau	**(83,030)**	-
Cash used in investing activities	**(137,009)**	(6,400)
Financing activities		
Proceeds from private placements	**817,279**	593,500
Shares subscribed	**63,750**	-
Share issue costs paid	**(10,810)**	(15,444)
Cash provided by financing activities	**870,219**	578,056
Change in cash	**(145,519)**	$ 262,771
Cash, beginning of year	**262,771**	-
Cash, end of year	**$ 117,252**	$ 262,771
Income taxes paid	**$ -**	$ -
Interest paid	**$ -**	$ -

During the year ended December 31, 2023,the Company transferred $17,500 from accounts payable and accrued liabilities to share capital for shares issued to settle debt. During the period from incorporation on May 4, 2022 to December 31, 2022, there were no non-cash investing and financing activities.

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

ANS EXPLORATION CORP.

Consolidated Statements Shareholders Equity

(Expressed in Canadian dollars)

	Note	Share Capital				
		Number of shares	Amount	Shares subscribed	Deficit	Total
Balance, period from incorporation on May 4, 2022		**-**	**$ -**	**$ -**	**$ -**	**$ -**
Shares issued in private placements	8(b)	15,350,000	593,500	-	-	593,500
Share issuance costs	8(b)	-	(15,444)	-	-	(15,444)
Loss for the period		-	-	-	(362,035)	(362,035)
Balance, December 31, 2022		**15,350,000**	**578,056**	**-**	**(362,035)**	**216,021**
Shares issued in private placements	8(b)	5,985,000	817,279	-	-	817,279
Share issued to settle debt	8(b)	350,000	17,500	-	-	17,500
Shares subscribed	8(b)	-	-	63,750	-	63,750
Share issuance costs	8(b)	-	(10,810)	-	-	(10,810)
Loss for the year		-	-	-	(953,299)	(953,299)
Balance, December 31, 2023		**21,685,000**	**$ 1,402,025**	**$ 63,750**	**$ (1,315,334)**	**$ 150,441**

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

1. Nature of operations and going concern

ANS Exploration Corp. ("ANS" or "the Company") was incorporated under the Business Corporations Act of Ontario on May 4, 2022. The address of its registered head office is 333 Bay Street Suite 2400, Toronto, Ontario M5H 2T6.

The Company is in the process of exploring potential resource properties in the Nubian Shield in East Africa, including Sudan, and has not determined whether these properties contain mineral reserves which are economically recoverable. The recoverability of amounts shown for exploration and evaluation expenditures is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production from the property or proceeds from its disposition.

Going concern

These consolidated financial statements have been prepared on the basis of accounting principles applicable to going concern, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

During the year ended December 31, 2023, the Company recorded a loss of $953,299 (2022 - $362,035) and as at December 31, 2023, the Company has an accumulated deficit of $1,315,334 (2022 - $362,035). The Company expects to incur further losses in the development of its business. The Company is subject to risks and challenges impacting its operations including, but not limited to, the ability to secure adequate financing to meet expenditure requirements including maintenance costs on its exploration and evaluation assets, and to successfully satisfy its commitments and continue as a going concern. The Company is dependent on equity and debt financings to fund its operations. There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The consolidated financial statements for the year ended December 31, 2023 do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary should the going concern assumption be inappropriate, and such adjustments could be material.

Over the past year, global stock markets have experienced volatility and a significant weakening in the aftermath of COVID-19. Governments and central banks have responded with monetary and fiscal interventions to stabilize economic conditions. Volatility in financial markets subsequent to December 31, 2023, may have a significant impact on the Company's financial position. The duration and impact of the higher inflationary environment, as well as the effectiveness of government and central bank responses, remains unclear at this time.

2. Basis of preparation

(a) Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements for the year ended December 31, 2023, and from the period of incorporation on May 4, 2022, to December 31, 2022 were approved and authorized for issuance by the Board of Directors on August 15, 2024.

2. Basis of preparation

(b) Basis of measurement

These consolidated financial statements have been prepared in accordance with IFRS on a historical cost basis, except for financial instruments measured at fair values through profit and loss. These consolidated financial statements have been prepared using an accrual basis of accounting, except for cash flow information.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 4.

(c) Foreign currency

The financial statements for the Company and its subsidiaries are prepared using their functional currencies. Functional currency is the currency of the primary economic environment in which the entity operates. The presentation currency of the Company is the Canadian dollar. The functional currency of all companies in the group is the Canadian dollar.

(d) Basis of consolidation

These consolidated financial statements include the financial statements of the Company and its wholly owned subsidiaries which it controls: ANS Resources Ltd. (Cayman), ANS Resources Holding Ltd. (UAE) and ANS Exploration Co. Ltd. (Sudan). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions, balances and any unrealized gains and losses from intercompany transactions are eliminated in preparing these consolidated financial statements.

3. Material accounting policy information

(a) Cash and cash equivalents

The Company considers cash to include amounts held in banks. The Company places cash with major financial institutions in Canada. As at December 31, 2023 and from the period from incorporation on May 4, 2022, to December 31, 2022, the Company did not have any cash equivalents.

(b) Foreign exchange

Transactions in foreign currencies are recorded at the rates of exchange prevailing on the dates of the transactions. At each statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities are stated at fair value are translated using the historical rate on the date that the fair value was determined. Revenues and expenses are expenses are translated at the exchange rates approximating those in effect on the date of the transactions. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

3. Material accounting policy information (continued)

(c) Exploration and evaluation expenditures

The Company expenses exploration and evaluation costs and acquisition costs directly to the statement of loss and comprehensive loss in the year they are incurred.

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activity includes: (1) researching and analyzing historical exploration data; (2) gathering exploration data through topographical, geochemical and geophysical studies; (3) exploratory drilling, trenching and sampling; (4) determining and examining the volume and grade of the resource; (5) surveying transportation and infrastructure requirements; (6) mining activities; and, (7) conducting market and finance studies.

Once the technical feasibility and commercial viability of an exploration property has been determined, it is then considered to be a mine under development and is reclassified to mineral property in accordance with IAS 16-property, plant and equipment. All costs relating to the construction, installation, or completion of a mine that are incurred subsequent to the exploration and evaluation stage are capitalized to the mineral property. Proceeds from the sale of ore extracted during the development phase are net against development expenditures.

The Company assesses the stage of each mine under development to determine when a property reaches the stage when it is in the condition for it to be capable of operating in a manner intended by management (“commercial production”). Determining when a mine has achieved commercial production is a matter of judgement.

As of the date of these consolidated financial statements, the Company has incurred only exploration costs that have been expensed. Also, the Company has not established any National Instrument 43-101 compliant proven or probable reserves on any of its mineral properties which have been determined to be economically viable.

(d) Provision for decommissioning and restoration

The Company recognizes provisions for statutory, contractual, constructive or legal obligations associated with the reclamation of exploration and evaluation assets in the year in which it is probable that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount can be made. Initially, a provision for a decommissioning liability is recognized based on expected cash flows required to settle the obligation and discounted at a pre-tax rate specific to the liability.

The capitalized amount is depreciated on the same basis as the related asset. Following the initial recognition of the decommissioning liability, the carrying amount of the liability is increased for the passage of time and adjusted for changes to the current market-based discount rate and the amount or timing of the underlying cash flows needed to settle the obligation. The increase in the provision due to passage of time is recognized as interest expense. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows.

As at December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022, the Company did not have any decommissioning liabilities or provisions.

3. Material accounting policy information (continued)

(e) Equipment

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item.

An item is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of equipment is comprised of major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

The residual values, useful lives, and methods of depreciation are reviewed at each reporting period and adjusted prospectively if appropriate. Equipment is depreciated on a straight-line basis over their estimated useful lives as follows:

	Rate
Mining equipment	33%
Office equipment	20%

(f) Impairment of non-financial assets

At each statement of financial position date, in accordance with IAS 36 "Impairment of Assets", the Company assesses whether there is any indication that any of its non-financial assets have suffered an impairment loss. If any indication exists, the Company estimates the asset’s recoverable amount.

An impairment loss is recognized when the carrying amount of an asset, or its cash generating unit (“CGU”), exceeds its recoverable amount. Impairment losses are recognized in profit or loss for the reporting period.

Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units, and then to reduce the carrying amount of other assets in the unit on a pro-rata basis.

An impairment loss for an individual asset or CGU shall be reversed if there has been a change in estimates used to determine the recoverable amount since the last impairment loss was recognized and is only reversed to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

The recoverable amount is the greater of an asset’s or CGU fair value less costs to sell, and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. For an asset that does not generate largely independent cash inflows, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

3. Material accounting policy information (continued)

(g) Income taxes

Current income taxes

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

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

Deferred income taxes

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

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

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

Deferred income tax assets and liabilities are offset, if a legally enforceable right exists to set off current tax liabilities and asset and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and asset on a net basis or their tax assets and liabilities will be realized simultaneously.

(h) Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects in shareholders' equity. Shares issued for consideration other than cash are valued based on their market value at the date the shares were granted. The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates the value to the more easily measurable component based on fair value and then the residual value, if any, to the less measurable component. The Company considers the fair value of common shares issued in a unit private placement to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

3. Material accounting policy information (continued)

(i) Basic and diluted loss per share

The Company presents basic and diluted loss per share data for its common shares. Basic loss per share is calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the periods presented. Diluted loss per share is computed similarly to basic loss per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting period. Diluted loss per share excludes all dilutive potential equity instruments if their effect is anti-dilutive.

(j) Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired, or have been transferred, and the Company has transferred substantially all risks and rewards of ownership. A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires.

Financial assets and liabilities are offset, and the net amount is reported on the statement of financial position, when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

At initial recognition, all financial assets and liabilities are recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as fair value through profit or loss (“FVTPL”). Transaction costs of financial assets and liabilities classified as FVTPL are expensed in the period in which they are incurred. Subsequent measurement of financial assets and liabilities depends on the classifications of such assets and liabilities.

Classification of Financial Assets

Amortized cost

Financial assets that meet the following conditions are measured at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets and liabilities carried at amortized cost are initially recognized at fair value, plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

3. Material accounting policy information (continued)

(j) Financial instruments (continued)

Fair value through other comprehensive income ("FVTOCI")

Financial assets that meet the following conditions are measured at FVTOCI.

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company does not have any instruments classified as financial assets at FVTOCI.

FVTPL

The Company, at initial recognition, may also irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Financial assets measured at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss to the extent they are not part of a designated hedging relationship.

The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

Impairment

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Classification of Financial Liabilities

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. As at December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022, the Company does not have any derivative financial liabilities.

The Company classifies its financial instruments as follows:

Cash	Fair value through profit or loss
Due from Altau Resources	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

3. Material accounting policy information (continued)

(k) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(l) Leases

The Company recognizes a right-of-use asset and a lease liability for its leases with lease terms greater than one year. The right-of-use asset is measured at cost and depreciated over its estimated useful life. At the commencement date, the lease liability is measured at the present value of the lease payments that are not paid at that date. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments, and amounts expected to be payable at the end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or if that rate cannot be readily determined, the Company's incremental borrowing rate. If the lease terms are subsequently changed, the present value of the lease liability is remeasured using the revised lease terms and applying the appropriate discount rate to the remaining lease payments. The Company recognizes the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the remeasurement in profit or loss.

The Company does not recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term. During the year ended December 31, 2023, the Company paid short-term lease costs of $nil (2022- $nil).

(m) Segment reporting

A reportable segment, as defined by 'IFRS 8-*Operating Segments*', is a distinguishable business or geographical component of the Company, which are subject to risks and rewards that are different from those of other segments. The Company considers its primary reporting format to be business segments. The Company considers that it has only one reportable segment, being the mineral exploration segment.

(n) New accounting standards and interpretations issued but not yet effective

Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgments – Disclosure of Accounting Policies.

The amendments change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information." Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements.

3. Material accounting policy information (continued)

(n) New accounting standards and interpretations issued but not yet effective (continued)

The supporting paragraphs in IAS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However, not all accounting policy information relating to material transactions, other events or conditions is itself material. The IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

The amendments were applied effective January 1, 2023 and did not have a material impact on the Company's consolidated financial statements.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current

In January 2020 and October 2022, the IASB issued amendments to clarify the requirements for classifying liabilities current or non-current. The amendments specify that the conditions that exist at the end of a reporting period are those that will be used to determine if a right to defer settlement of a liability exists. The amendments also clarify the situations that are considered a settlement of a liability. The amendments are effective January 1, 2024, with early adoption permitted, and the amendments are to be applied retrospectively. This amendment did not have a significant impact on the consolidated financial statements of the Company upon adoption on January 1, 2023.

4. Critical accounting estimates and judgments

The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and 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 may differ from these estimates.

Critical accounting estimates

Estimates made in applying accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

Deferred income taxes

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the consolidated statement of financial position. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period that the changes occur. Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives.

4. Critical accounting estimates and judgments (continued)

Critical accounting estimates (continued)

Useful lives of equipment

Management exercises professional judgement when determining the useful life and residual values of equipment. Management estimates these inputs based on industry standards and previous experience assessing similar capital assets.

Fair Value of shares that are not actively traded

The determination of the fair value of common shares is subject to certain management estimates as the Company is not publicly traded in an active market. The fair market value of the common shares issued was determined by using the cash value paid to purchase shares around the time of issuance.

Critical accounting judgements

Judgments made in applying accounting policies that have the most significant effect on the amounts recognized in these consolidated financial statements are as follows:

Functional currency

The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates. The functional currency for the Company is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgments to determine the primary economic environment and the Company reconsiders the functional currency of its entities if there is a change in events and conditions which determined the primary economic environment.

Going concern

The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year.

Title to exploration and evaluation properties

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title or interest therein. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

5. Acquisition of Altau Resources

On July 21, 2023, the Company entered into a purchase agreement (the "Altau Agreement") with Elemental Altus Royalties Corp. ("Elemental") and Altau Resources Limited (the "Seller") to acquire a 95% interest in Altau Holdings Ltd. ("Altau Holdings") through its wholly-owned subsidiary, ANS Resources Ltd. Altau Holdings owns 100% of Altau Resources Ltd. ("Altau Resources") (the "Transaction"). Upon closing of the Transaction, Altau Resources will hold the Daro and Zager Exploration Licenses in the Tigray Province of Ethiopia (the "Exploration Licenses"). The Transaction is subject to closing conditions (note 14).

In exchange for its 95% interest in Altau Holdings, the Company cash consideration will be paid as follows:

- US$50,000 due to Seller upon closing; and

(Expressed in Canadian dollars)

5. Acquisition of Altau Resources (continued)

- US$150,000 payable in cash in five equal instalments of US$30,000 every three months commencing three months from Transaction closing.

Pursuant to the Altau Agreement, the Sellers are entitles to certain milestone payments as follows:

- US$500,000 in cash on the publication of a maiden mineral resource statement exceeding 1,000,000 ounces of gold equivalent on either of the Exploration Licenses; and
- US$500,000 in cash on the publication of a feasibility study technical report on any project within either of the Exploration Licenses.

At December 31, 2023, the Company has advanced $83,030 (2022 - $nil) to Altau Resources. These amounts are unsecured with no fixed repayment term.

6. Equipment

	Office equipment	Exploration equipment	Total
Cost			
Balance, from the period from incorporation on May 4, 2022	$ -	$ -	$ -
Additions	6,400	-	6,400
Balance, December 31, 2022	**6,400**	**-**	**6,400**
Additions	-	53,979	53,979
Disposals	(6,400)	-	(6,400)
Balance, December 31, 2023	**$ -**	**$ 53,979**	**$ 53,979**
Accumulated Depreciation			
Balance from the period from incorporation on May 4, 2022	$ -	$ -	$ -
Additions	640	-	640
Balance, December 31, 2022	**640**	**-**	**640**
Additions	316	5,168	5,484
Disposals	(956)	-	(956)
Balance, December 31, 2023	**$ -**	**$ 5,168**	**$ 5,168**
Net Book Value, December 31, 2022	**$ 5,760**	**$ -**	**$ 5,760**
Net Book Value, December 31, 2023	**$ -**	**$ 48,811**	**$ 48,811**

7. Exploration and evaluation expenditures

The Company's exploration and evaluation expenditures are expensed as incurred. The Company incurred the following expenditures:

(Expressed in Canadian dollars)

7. Exploration and evaluation expenditures (continued)

		Year ended December 31, 2023		From the period from incorporation on May 4, 2022, to December 31, 2022
Data compilation	$	107,805	$	98,260
Geological		159,207		40,274
Management services		411,565		139,489
Office and other		12,547		2,302
Travel		106,801		63,086
	$	**797,925**	**$**	**343,411**

From the period of incorporation on May 4, 2022, to April 30, 2023, the Company's exploration activities were focused on the Sharareet project in Sudan. Beginning in May 2023, all exploration activities were focused in the Tigray region in Northern Ethiopia. The breakdown of exploration activities for 2023 by jurisdiction are as follows:

For the year ended December 31, 2023:		**Ethiopia**		**Sudan**
Data compilation	$	99,046	$	8,759
Geological		117,311		41,896
Management services		306,870		104,695
Office and other		12,547		-
Travel		54,790		52,011
	$	**590,564**	**$**	**207,361**

From the period from incorporation on May 4, 2022 to December 31, 2022:		Ethiopia		Sudan
Data compilation	$	-	$	98,260
Geological		-		40,274
Management services		-		139,489
Office and other		-		2,302
Travel		-		63,086
	$	**-**	**$**	**343,411**

8. Share capital

(a) Authorized

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

(b) Issued and outstanding

The Company issued the following securities during the periods indicated:

	Number
Balance, from incorporation on May 4, 2022	**-**
Shares issued for private placements	15,350,000
Balance, December 31, 2022	**15,350,000**
Shares issued for private placements	5,985,000
Shares issued for settlement of debt	350,000
Balance, December 31, 2023	**21,685,000**

(Expressed in Canadian dollars)

8. Share capital (continued)

During the year ended December 31, 2023, the Company entered into the following transactions:

- On September 18, 2023, the Company closed its non-brokered private placement of 1,460,000 common shares at $0.25 per common share for gross proceeds of $365,000.
- On May 23, 2023, the Company closed its non-brokered private placement of 4,525,000 common shares at $0.10 per common share for gross proceeds of $452,279.
- In connection with the financings, the Company paid share issuance cost totaling $10,810.
- On February 3, 2023, the Company issued 350,000 common shares for services with a fair value of $17,500.
- As at December 31, 2023, the Company had a commitment to issue 367,854 common shares at a price of $0.175 per unit for gross proceeds of $63,750. These common shares were issued subsequent to the year end, on March 5, 2024 (note 14).

During the period ended December 31, 2022, the Company entered into the following transactions:

- On August 3, 2022, the Company closed its non-brokered private placement of 4,350,000 common shares at $0.01 per common share for gross proceeds of $43,500. In connection with the financing, the Company paid share issuance cost totaling $15,444.
- On December 13, 2022, the Company closed its non-brokered private placement of 11,000,000 common shares at $0.05 per common share for gross proceeds of $550,000.

9. Income taxes

The Company is subject to federal and provincial tax for the estimated assessable profit for the year ended December 31, 2023. The Company had no assessable profit for the year. The difference between tax expense for the year and the expected income taxes based on the statutory tax rates arises as follows:

		December 31, 2023		From the period from incorporation on May 4, 2022, to December 31, 2022
Net loss	$	(953,299)	$	(362,035)
Expected income tax recovery at 27% (2022 – 27%)		(257,000)		(108,000)
Foreign exchange and other		(6,000)		-
Share issuance cost		(3,000)		(4,000)
Changes in unrecognized deferred income tax assets		266,000		112,000
Deferred income tax recovery	**$**	**-**	**$**	**-**

(Expressed in Canadian dollars)

9. Income taxes (continued)

The significant components of the Company's unrecognized net deferred income tax assets and liabilities are as follows:

		December 31, 2023		From the period from incorporation on May 4, 2022, to December 31, 2022
Exploration and evaluation assets	$	275,000	$	103,000
Capital assets		4,000		1,000
Share issuance cost		5,000		3,000
Non-capital losses		45,000		5,000
Total unrecognized deferred income tax assets	**$**	**329,000**	**$**	**112,000**

As at December 31, 2023, the Company has non-capital losses of approximately $168,000 (2022 - $19,000) available to offset future income for income tax purposes which commence expiring in 2042 through 2043. Due to the uncertainty of realization of these loss carry-forwards, the benefit is not reflected in the consolidated financial statements.

10. Related party transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Company's related parties are considered to be Directors and Officers of the Company and the companies controlled by these individuals.

The following table summarizes transactions with related parties during the years ended December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022:

	Note		December 31, 2023		From the period from incorporation on May 4, 2022, to December 31, 2022
Exploration and evaluation costs – project management fees	(a)&(b)	$	413,840	$	136,940
Professional fees	(c)		5,591		1,811
		$	**419,431**	**$**	**138,751**

a) Exploration and evaluation costs – project management fees of $219,145 (2022 - $36,891) were paid to RWB Exploration Ltd., a company controlled by Richard Belcher, the VP of Exploration of the Company.

b) Exploration and evaluation costs – project management fees of $194,695 (2022 - $100,046) were paid to Incomet Advisory Group. ("Incomet"), a company controlled by the CEO and director of the Company.

c) Fees paid to Cabeta Consulting ("Cabeta"), a company controlled by the Company's CFO.

(Expressed in Canadian dollars)

10. Related party transactions (continued)

The following table summarizes payable balances to related parties as at December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022:

		December 31, 2023		From the period from incorporation on May 4, 2022, to December 31, 2022
Trade payable to RWB	$	15,726	$	7,769
Trade payable to Incomet		17,583		15,970
Trade payable to Cabeta		-		1,811
	$	**33,309**	**$**	**25,550**

11. Financial instruments and risk management

Financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are as follows:

Level 1 – quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 –inputs other than quoted market prices included in Level 1 that are observable for the asset or liability, either directly, such as prices, or indirectly (derived from prices).

Level 3 – inputs are unobservable (supported by little or no market activity) such as non-corroborative indicative prices for a particular instrument provided by a third party.

As at December 31, 2023 and 2022, the Company believes that the carry value of its due from Altau Resources and account payables and accrued liabilities approximate their fair value because of their nature and relatively short maturity dates or duration.

There were no transfers between Level 1, 2 and 3 for the year December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022.

As at December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022, the Company carries cash as it's financial instrument carried at FVTPL.

Risk management

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below:

(i) Credit risk

Credit risk is the risk that may arise on outstanding financial instruments should a counter party default on its obligation. The Company's primary exposure to credit risk is in its cash accounts. The Company's cash balance is held with large, credit worthy financial institutions and as such the risk of loss is considered to be low.

11. Financial instruments and risk management (continued)

Risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due. The Company's financial liabilities consists of its accounts payable and accrued liabilities. The Company manages liquidity risk by maintaining sufficient cash balances and adjusting its budget, forecasts and expenditures accordingly. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term obligations. As at December 31, 2023, the Company's current assets exceeded its current liabilities by $101,630 (2022 - $210,261) and as such management considered the Company's liquidity risk to be low.

(iii) Market risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Company is not exposed to significant currency, interest or other price risk.

(iv) Currency risk

The Company's functional currency is the Canadian dollar. There is moderate foreign exchange risk to the Company as it incurs significant mineral property-related expenditures in the USA and its Debentures and lease liability are denominated in US dollars. The Company is also exposed to foreign exchange risk arising from:

- Cash balances held in US dollars;
- Accounts payable denominated in US dollars, Great Britain Pounds, Euros and Australian dollars.

These are all shown on the statement of loss and comprehensive loss. The Company does not engage in any hedging activities to reduce its foreign currency risk. A 10% variance in the foreign exchange rates would expose the Company to a positive or negative impact on its comprehensive loss of approximately from $3,150 to $34,407 during the year ended December 31, 2023 (2022 – $8,137 to $18,674).

(v) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022.

(vi) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer or by factors affecting all similar financial instruments traded in the market. The Company is not exposed to other price risk as at December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022.

(Expressed in Canadian dollars)

12. Capital management

In the management of capital, the Company includes the components of shareholders' equity. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral projects for the benefits of stakeholders. As the Company is in the exploration stage, it has no income from operations, and its principal source of funds is the from issuance of common shares.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying asset. To maintain or adjust the capital structure, the Company may attempt to issue new shares, enter into joint arrangements, or dispose of assets. The Company is not subject to any externally imposed capital requirements.

13. Segmented operations

The Company has identified its operating segments based on the internal reports that are reviewed and used by the chief executive officer and the executive management in assessing performance and in determining the allocation of resources. The Company considers the business from a geographic perspective and assesses the performance of the operating segments based on measures such as net property and equipment as well as operational results.

Operating Segment

The Company's operations are limited to a single industry segment, being the acquisition, exploration and evaluation of mineral properties.

Geographic Segments

As at December 31, 2023, the Company's operations and assets are located in Canada, Sudan and Ethiopia. By geographic areas, the Company's net loss for the years ended December 31, 2023, and from the period from incorporation on May 4, 2022, to December 31, 2022 are as follows:

		December 31, 2023		**From the period from incorporation on May 4, 2022, to December 31, 2022**
Canada	$	116,664	$	17,984
Sudan		212,805		344,051
Ethiopia		623,830		-
	$	**953,299**	**$**	**362,035**

By geographic areas, the Company's non-current assets as at December 31, 2023 and 2022, are as follows:

		December 31, 2023		December 31, 2022
Canada	$	-	$	-
Sudan		-		5,760
Ethiopia		48,811		-
	$	**48,811**	**$**	**5,760**

14. Subsequent events

Subsequent to the year ended December 31, 2023:

(a) the Company completed a private placement equity financing, issuing 1,420,000 common shares at $0.10 per share for gross proceeds of $142,000.

(b) the Company completed a private placement equity financing, issuing 3,285,714 common shares at $0.175 per share for gross proceeds of $575,000. The commitment to issue shares of $63,750 was settled when the private placement closed (note 8).

(c) the Company completed a private placement equity financing, issuing 567,853 common shares at $0.175 per share for gross proceeds of $99,374.

(d) the Company completed a private placement equity financing, issuing 114,286 common shares at $0.175 per share for gross proceeds of $20,000.

(e) During the year, the Company entered into a memorandum of understanding ("MOU") dated August 1, 2023 with NewCo. ("NewCo."), whereby the Company was granted an option to acquire up to an 80% interest in NewCo. which holds an Ethiopian mineral license, referred to as the Abi Adi project located in Tigray, Ethiopia.

The Company can earn up to 80% interest in NewCo over the course of two phases:

Phase 1 - To obtain 51% ownership of NewCo

- The Company must incur expenditures of US$250,000 by December 31, 2024.

Phase 2 - To obtain 29% (totaling 80%) ownership of NewCo.

- If the Company elects to proceed with the exercise of the phase 2 earn-in, it will be required to fund additional exploration expenditures of US$250,000.

On completion of Phase 2, if ANS is unable to fund its portion of a drill program, ANS's ownership in NewCo. will be reduced back to 51% if NewCo. contributes US$500,000 to a drill program. ANS's ownership in NewCo. will be reduced by additional 20% if NewCo. contributes an additional US$1,000,000 to a drill program.

(f) Subsequent to the year end, the Company entered into MOU dated June 27, 2024 with Matrix Mining Group Plc. ("Matrix"), whereby the Company was granted an option to acquire up to 95% interest in Matrix. which holds an Ethiopian mineral license, referred to as the Matrix project located in Tigray, Ethiopia.

The Company can earn up to 95% interest in Matrix over the course of three phases:

Initial investment - To obtain 25% ownership of Matrix

- Pay cash consideration of US$100,000 by March 31, 2025.

Phase 1 - To obtain 51% ownership of Matrix

- Incur exploration expenditures of US$100,000 by March 31, 2026.

Phase 2 - To obtain an additional 29% (totaling 80%) ownership of Matrix

- Incur additional expenditures of US$250,000 annually from the date of the election.

Phase 3 - To obtain 15% (totaling 95%) ownership of Matrix

- Pay a minimum of US$500,000 potentially up to $1,500,000 within 60 days of the completion of Matrix's technical study

14. Subsequent events (continued)

(g) Subsequent to the year end, the closing conditions of the share purchase agreement with Elemental Altus Royalties Corp. were completed for the purchase of Altau Resources Limited (note 5).