



Condensed Consolidated Interim Financial Statements

For the three and nine months ended April 30, 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 nine months ended April 30, 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

As at	April 30 2024 <i>(unaudited)</i>	July 31 2023
ASSETS		
Current		
Cash and cash equivalents	\$ 165,487	\$ 181,629
Restricted cash (note 3)	5,000	5,000
Other current assets (note 4)	<u>216,631</u>	<u>311,320</u>
	387,118	497,949
Deposit	34,854	33,508
Mineral properties (note 5)	<u>9,996,818</u>	<u>9,345,256</u>
TOTAL ASSETS	<u>\$ 10,418,790</u>	<u>\$ 9,876,713</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 575,908	\$ 249,830
Reclamation provision	<u>15,000</u>	<u>15,000</u>
TOTAL LIABILITIES	<u>590,908</u>	<u>264,830</u>
EQUITY		
Share capital (note 6)	24,116,049	23,657,276
Warrant capital (note 6)	224,604	566,711
Unit subscriptions received (note 6)	-	84,230
Contributed surplus	4,461,921	3,831,250
Deficit	<u>(18,974,692)</u>	<u>(18,527,584)</u>
TOTAL EQUITY	<u>9,827,882</u>	<u>9,611,883</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 10,418,790</u>	<u>\$ 9,876,713</u>

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 April 30		nine months ended April 30	
	2024	2023	2024	2023
EXPENSES				
General and administration (note 7)	\$ (132,169)	\$ (161,830)	\$ (369,471)	\$ (426,642)
Impairment	(85)	(8,750)	(3,499)	(13,010)
Share based compensation (note 6)	(90,000)	(254,500)	(115,000)	(254,500)
Reclamation	-	(731)	-	(212,956)
TOTAL EXPENSES	(222,254)	(425,811)	(487,970)	(907,108)
OTHER INCOME (LOSS)				
Flow through share premium	1,994	17,220	53,125	344,032
Interest income	1,260	3,263	8,492	31,500
Unrealized gain (loss) on marketable securities	2,461	(4,394)	(20,755)	(6,728)
TOTAL OTHER INCOME	5,715	16,089	40,862	368,804
NET LOSS AND COMPREHENSIVE LOSS	\$ (216,539)	\$ (409,722)	\$ (447,108)	\$ (538,304)
BASIC AND DILUTED LOSS PER COMMON SHARE	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	152,669,619	141,571,652	150,365,583	140,017,944

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 nine months ended April 30, 2024**

	Number of common shares	Share capital	Warrant capital	Unit Subscriptions Received	Contributed surplus	Deficit	Total equity
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	-	-	-	-	-	(447,108)	(447,108)
Private placements	10,059,859	512,716	173,564	(84,230)	-	-	602,050
Share based compensation	-	-	-	-	115,000	-	115,000
Warrants expired	-	-	(515,671)	-	515,671	-	-
Shares issued as consideration for mineral properties	50,000	2,500	-	-	-	-	2,500
Share issuance costs	400,000	(56,443)	-	-	-	-	(56,443)
April 30, 2024	152,669,619	\$ 24,116,049	\$ 224,604	\$ -	\$ 4,461,921	\$ (18,974,692)	\$ 9,827,882

For the nine months ended April 30, 2023

	Number of common shares	Share capital	Warrant capital	Unit Subscriptions Received	Contributed surplus	Deficit	Total equity
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	-	-	-	-	-	(538,304)	(538,304)
Warrants exercised	3,590,200	373,414	(85,583)	-	-	-	287,831
Warrants expired	-	-	(51,870)	-	51,870	-	-
Share based compensation	-	-	-	-	254,500	-	254,500
Options exercised	800,000	95,000	-	-	(43,000)	-	52,000
Shares issued as consideration for mineral properties	125,000	12,000	-	-	-	-	12,000
Share issuance costs	-	(3,019)	-	-	-	-	(3,019)
April 30, 2023	141,701,427	\$ 23,615,535	\$ 597,673	\$ -	\$ 3,811,288	\$ (18,330,322)	\$ 9,694,174

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 nine months ended April 30	2024	2023
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES:		
Net loss	\$ (447,108)	\$ (538,304)
Items not affecting cash and cash equivalents:		
Impairment	3,499	13,200
Unrealized loss on marketable securities	20,755	6,728
Flow through share premium	(53,125)	(344,032)
Share based compensation	115,000	254,500
Changes in non-cash working capital:		
Other current assets	117,762	35,496
Accounts payable and accrued liabilities	(150,873)	(35,011)
Reclamation obligation	-	(120,768)
Cash and cash equivalents used in operating activities	<u>(394,090)</u>	<u>(728,191)</u>
INVESTING ACTIVITIES:		
Deposit	(1,346)	(934)
Mineral property expenditures	(217,499)	(1,344,319)
Cash and cash equivalents used in investing activities	<u>(218,845)</u>	<u>(1,345,253)</u>
FINANCING ACTIVITIES:		
Proceeds from exercise of warrants	-	287,831
Proceeds from exercise of options	-	52,000
Proceeds from private placement	613,575	-
Costs of share issuance	(16,782)	(4,958)
Cash and cash equivalents provided by financing activities	<u>596,793</u>	<u>334,873</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(16,142)	(1,738,571)
Cash and cash equivalents – beginning of period	<u>181,629</u>	<u>2,153,007</u>
CASH AND CASH EQUIVALENTS – END OF PERIOD	\$ 165,487	\$ 414,436

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 April 30, 2024, the Company has a deficit of \$18,974,692 (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 July 2, 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 nine months ended April 30, 2024 and 2023

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

As at	April 30 2024	July 31 2023
Accounts receivable	\$ 1,139	\$ 5,824
Goods and services tax receivable	12,682	31,281
Mineral exploration tax credits receivable	70,430	84,904
Prepayments and deposits	119,981	156,157
Marketable securities	12,399	33,154
Total other current assets	\$ 216,631	\$ 311,320

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
Acquisition costs	-	3,499	18,978	22,477
Exploration and evaluation costs	-	-	632,584	632,584
Impairment	-	(3,499)	-	(3,499)
Balance, April 30, 2024	\$ 1	\$ 1	\$ 9,996,816	\$ 9,996,818

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)
			<hr/>
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	-		(56,443)
			<hr/>
Balance, April 30, 2024	152,669,619		\$ 24,116,049

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	(21,008,915)	\$ 0.025	(515,672)
Balance, April 30, 2024	7,047,706		\$ 224,604

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2024 and 2023

(unaudited)

A summary of share purchase warrants outstanding is as follows:

As at April 30, 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	0.6
\$ -	-	-	-	\$ 0.080	16,498,875	16,498,875	0.7
\$ 0.120	1,417,777	1,417,777	0.1	\$ 0.120	1,417,777	1,417,777	0.9
\$ 0.100	4,142,179	4,142,179	1.3	\$ -	-	-	-
\$ 0.070	1,487,750	1,487,750	1.7	\$ -	-	-	-
\$ 0.098	7,047,706	7,047,706	1.1	\$ 0.082	22,426,692	22,426,692	0.7

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	3,500,000	\$ 0.06
Expired	(1,550,000)	\$ 0.09
Outstanding stock options, April 30, 2024	11,800,000	\$ 0.08

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2024 and 2023

(unaudited)

A summary of stock options outstanding is as follows:

As at April 30, 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	0.6	\$ 0.050	250,000	250,000	1.3
\$ 0.080	250,000	250,000	1.3	\$ 0.080	250,000	250,000	2.0
\$ -	-	-	-	\$ 0.075	100,000	100,000	0.2
\$ 0.060	1,250,000	1,250,000	1.8	\$ 0.060	1,470,000	1,470,000	2.5
\$ 0.090	3,000,000	3,000,000	3.1	\$ 0.090	3,180,000	3,180,000	3.9
\$ 0.110	300,000	300,000	3.8	\$ 0.110	300,000	300,000	4.5
\$ 0.090	3,250,000	3,250,000	3.9	\$ 0.090	3,250,000	3,250,000	4.7
\$ 0.090	250,000	250,000	4.3	\$ -	-	-	-
\$ 0.090	250,000	250,000	4.5	\$ -	-	-	-
\$ 0.050	3,000,000	3,000,000	4.9	\$ -	-	-	-
\$ 0.076	11,800,000	11,800,000	3.6	\$ 0.086	9,850,000	9,850,000	3.4

7. General and administrative expenses

For the	three months ended April 30		nine months ended April 30	
	2024	2023	2024	2023
Advertising and promotion	\$ 44,083	\$ 54,729	\$ 121,696	\$ 150,822
Conferences and corporate travel	18,353	33,200	28,792	65,951
Consulting fees	53,220	53,029	155,220	142,339
Office and administration	7,348	4,757	33,760	22,621
Regulatory and transfer fees	8,189	15,443	29,877	35,420
Professional fees	976	672	126	9,489
	\$ 132,169	\$ 161,830	\$ 369,471	\$ 426,624

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

During the three and nine months ended April 30, 2024, the Company received interest of \$1,260 and \$8,492 respectively (2023 - \$3,263 and \$31,500 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 nine month periods ended April 30, 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 nine months ended April 30, 2024 and 2023 and have been eliminated from the consolidated statements of cash flows.

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2024 and 2023

(unaudited)

For the nine months ended April 30	2024	2023
Increase in accounts payable related to investing activities	\$ 478,890	\$ 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	\$ (43,828)	\$ 9,021
Fair value of Finder Warrants recorded as share issuance costs (decrease to share capital)	\$ 31,500	\$ 2,700

9. Subsequent Events*Motherlode Crown Grants Acquisition Agreement*

On June 17, 2024, the Company entered into a purchase agreement (the "Purchase Agreement") with First Majestic Silver Corp. ("First Majestic") to acquire the Motherlode Crown Grants in Southeast British Columbia. The Motherlode Crown Grants comprise 13 Crown Grants that which include subsurface mineral rights. Under the terms of the Purchase Agreement, the Company will cover all costs related to the transfer of the Crown Grants from First Majestic to the Company. As consideration, Grizzly will issue First Majestic 250,000 common shares of the Company (the "Consideration Shares") upon closing of the transaction. At closing, the Company will grant a 1% Net Smelter Return (NSR) Royalty on the Crown Grants to First Majestic and retains an option to purchase the NSR Royalty for \$250,000 at any time.

The issuance of the Consideration Shares is subject to the acceptance of the TSX Venture Exchange.

Private Placement Announced

On June 20, 2024, the Company announced a private placement offering of Units and Flow-Through Units for aggregate gross proceeds of \$1,000,000 if fully subscribed. The Offering consists of up to 16,666,668 Units and up to an additional 16,666,668 in any combination of Units or Flow-Through Units, at a price of \$0.03 per Unit and Flow-Through Unit (each as defined below).

Each Unit shall consist of one common share of the Company ("Common Share") and one non-transferrable common share purchase warrant ("Warrant") entitling the warrant holder to purchase an additional Common Share for \$0.05 and expiring on the earlier of a) 30 days following written notice by the Company to the warrant holder 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) 24 months from the date of issuance. Each Flow-Through Unit shall consist of one Common Share and one half of one Warrant, each of which shall be issued as a "flow through share" for the purposes of the Income Tax Act (Canada). There is no minimum to the Offering. If the Company closes on less than the maximum proceeds, the use of proceeds will be adjusted. In the case that the Offering is over-subscribed, the Company may increase the size of the Offering by an additional 10%.