CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

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ADAMERA MINERALS

Condensed Consolidated Interim Financial Statements
September 30, 2023
(Canadian Dollars)

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NOTICE OF NO AUDITOR REVIEW OF

INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

ADAMERA MINERALS CORP.

Condensed Consolidated Interim Statements of Financial Position

(Expressed in Canadian Dollars)

	Note		September 30 2023 (Unaudited)		December 31 2022 (Audited)
Assets					
Current					
Cash		$	298,708	$	699,021
Receivables			20,387		36,630
Prepaids			7,391		26,531
Marketable securities	5		40,000		95,000
Current portion of finance lease receivables	9		376,764		330,644
			743,250		1,187,826
Non-current					
Equipment	6		7,455		9,345
Right-of-use asset	8		27,130		37,746
Long-term portion of finance lease receivables	9		369,245		605,036
Deposits	7		57,643		57,497
Exploration deposits	7		197,689		217,302
Mineral properties	10		7,683,847		7,237,837
			8,343,009		8,164,763
		$	9,086,259	$	9,352,589
Liabilities					
Current					
Accounts payable and accrued liabilities	11	$	60,206	$	114,322
Security deposits			80,335		77,590
Restoration provisions	10(e)(iii)		50,000		50,000
Canada Emergency Business Account	12		40,000		40,000
Due to related parties	13		26,917		108,065
Current portion of lease liabilities	8		278,072		263,890
Flow-through share premium liability	18		-		16,075
			535,530		669,942
Non-current					
Long-term portion of lease liabilities	8		272,524		482,887
			272,524		482,887
Shareholders' equity					
Share capital	14		38,323,392		38,069,039
Share subscription	14		138,000		-
Share-based compensation reserve	14		2,246,406		2,160,401
Deficit			(32,429,593)		(32,029,680)
			8,278,205		8,199,760
		$	9,086,259	$	9,352,589

Nature and Continuance of Operations *(Note 1)*
Commitment *(Note 17)*
Event after the Reporting Period *(Note 19)*

Approved and authorized by the Board November 24, 2023

On behalf of the Board: *"Mark Kolebaba"* Mark Kolebaba — *"Alex Adams"* Alex Adams

See accompanying notes to the condensed consolidated interim financial statements

ADAMERA MINERALS CORP.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Unaudited; Expressed in Canadian Dollars)

	Note	Three months ended September 30, 2023	Three months ended September 30, 2022	Nine months ended September 30, 2023	Nine months ended September 30, 2022
Expenses					
Accounting and audit	13	$ 24,799	$ 23,293	$ 88,159	$ 72,696
Consulting fees		-	150	375	525
Depreciation	6	115	153	345	460
Depreciation of right-of-use asset	8	3,539	3,538	10,616	10,616
Foreign exchange (gain) loss		(4,535)	(19,036)	4,671	(29,656)
Interest expense on lease liabilities	8	9,967	14,453	33,334	46,560
Legal fees		-	-	1,981	1,847
Office and miscellaneous, net of recoveries		9,575	8,258	31,073	25,165
Property expenses, maintenance and rent		45,903	44,373	73,070	129,638
Restoration expenses	10(e)(iii)	-	7,823	-	60,535
Share-based compensation	13, 14(c)	-	-	19,005	8,745
Shareholder communications		10,485	18,225	47,417	50,821
Wages and benefits	13	52,361	56,733	170,874	189,959
		(152,209)	(157,963)	(480,920)	(567,911)
Other income (loss)					
Fair value gain (loss) on marketable	5	(20,000)	10,000	(55,000)	(45,000)
Finance income on sublease	9	13,172	20,389	45,033	65,398
Flow-through share premium recovery	18	-	45,897	16,075	45,897
Income from subleasing	9	12,351	-	74,899	49,602
Rental income		-	-	-	12,567
Loss and comprehensive loss for the period		$ (146,686)	$ (81,677)	$ (399,913)	$ (439,447)
Basic and diluted loss per share		$ (0.001)	$ (0.000)	$ (0.002)	$ (0.002)
Weighted average number of common shares outstanding		228,557,627	211,296,189	226,650,584	206,398,187

See accompanying notes to the condensed consolidated interim financial statements

ADAMERA MINERALS CORP.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited; Expressed in Canadian Dollars)

	Note	Nine months ended September 30, 2023	2022
Cash provided by (used in):			
Operating activities			
Loss for the period		$ (399,913)	$ (439,447)
Items not affecting cash:			
Depreciation	6	345	460
Depreciation of right-of-use asset	8	10,616	10,616
Fair value loss on marketable securities	5	55,000	45,000
Finance income on sublease	9	(45,033)	(65,398)
Flow-through share premium recovery	18	(16,075)	(45,897)
Income from subleasing	9	(74,899)	(49,602)
Interest expense on lease liabilities	8	33,334	46,560
Share-based compensation	14(c)	19,005	8,745
Net change in non-cash working capital			
Receivables		16,243	(24,467)
Due from optionee		-	56,065
Prepaids		19,140	(8,384)
Accounts payable and accrued liabilities		(39,117)	(142,817)
Security deposits		2,745	7,705
Due to related parties		(31,584)	10,093
		(450,193)	(590,768)
Investing activities			
Exploration deposits		19,467	(61,900)
Net expenditures on mineral properties		(509,028)	(981,535)
Purchase of equipment		-	(2,512)
		(489,561)	(1,045,947)
Financing activities			
Repayment of lease liabilities	8	(229,515)	(229,515)
Cash received from subleasing		309,603	322,498
Share subscription	14(b)	138,000	-
Shares issued for cash	14(b)	335,000	1,204,360
Share issue costs	14(b)	(13,647)	(8,023)
		539,441	1,289,320
Change in cash		(400,313)	(347,395)
Cash, beginning of the period		699,021	1,764,987
Cash, end of the period		$ 298,708	$ 1,417,592

Supplemental Disclosure with Respect to Cash Flows (Note 15)

See accompanying notes to the condensed consolidated interim financial statements

ADAMERA MINERALS CORP.
Condensed Consolidated Interim Statements of Shareholders' Equity
(Expressed in Canadian Dollars)

	Note	Share Capital Number of shares	Share Capital Amount	Share Subscription	Share-based Compensation Reserve	Deficit	Total Shareholders' Equity
Balance, December 31, 2021 (Audited)		203,908,595	$ 36,944,452	$ -	$ 1,908,640	$ (30,928,192)	$ 7,924,900
Shares issued for cash							
Private placement	14(b)(i)(ii)	18,739,333	1,204,360	-	-	-	1,204,360
Flow-through share premium	14(b)(i)	-	(80,000)	-	-	-	(80,000)
Share issue costs	14(b)(ii)	-	(8,023)	-	-	-	(8,023)
Share-based compensation	14(c)	-	-	-	8,745	-	8,745
Loss and comprehensive loss for the period		-	-	-	-	(439,447)	(439,447)
Balance, September 30, 2022 (Unaudited)		222,647,928	38,060,789	-	1,917,385	(31,367,639)	8,610,535
Shares issued for other consideration							
Property acquisition	14(b)(iii)(iv)	125,000	8,250	-	-	-	8,250
Share-based compensation	14(c)	-	-	-	243,016	-	243,016
Loss and comprehensive loss for the period		-	-	-	-	(662,041)	(662,041)
Balance, December 31, 2022 (Audited)		222,772,928	38,069,039	-	2,160,401	(32,029,680)	8,199,760
Shares issued for cash							
Private placements	14(b)(v)	6,700,000	268,000	-	67,000	-	335,000
Share subscription	14(b)(vi)	-	-	138,000	-	-	138,000
Share issue costs	14(b)(v)	-	(13,647)	-	-	-	(13,647)
Share-based compensation	14(c)	-	-	-	19,005	-	19,005
Loss and comprehensive loss for the period		-	-	-	-	(399,913)	(399,913)
Balance, September 30, 2023 (Unaudited)		229,472,928	$ 38,323,392	$ 138,000	$ 2,246,406	$ (32,429,593)	$ 8,278,205

See accompanying notes to the condensed consolidated interim financial statements

1. Nature and Continuance of Operations

Adamera Minerals Corp. ("Adamera" or "the Company") was incorporated in February 2013 pursuant to an amalgamation under the Business Corporation Act (British Columbia). The Company's common shares are listed for trading on the TSX Venture Exchange ("Exchange") under the symbol "ADZ". The Company also trades on the OTC Marketplace in the United States under the symbol "DDNFF". The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain ore reserves that are economically recoverable. The Company is considered to be in the exploration stage and does not have operating cash flows.

The Company's head office, principal address and registered and records office is 1100, 1111 Melville Street, Vancouver, British Columbia, Canada, V6E 3V6.

These condensed consolidated interim financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") on a going concern basis, which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, these condensed consolidated interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern and such adjustments could be material.

The Company's continuing operations as intended are dependent upon its ability to identify, evaluate and negotiate the acquisition of, participation in or interest in new properties, assets or business opportunities, and raise additional funds by way of equity financings. Any acquisition may be subject to shareholder and regulatory approval and obtaining the necessary financing. Should the Company be unable to complete such a transaction, its ability to raise sufficient financing to maintain operations may be impaired. To date the Company has not generated revenue and incurred a loss for the nine months ended September 30, 2023 of $399,913. The available funds are sufficient to continue operations for the ensuing year. Although the Company has been successful at raising funds in the past through the issuance of share capital, it is uncertain whether it will be able to continue this financing in the future. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

2. Statement of Compliance and Basis of Preparation

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

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

The preparation of these condensed consolidated interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

These condensed consolidated interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

3. Significant Accounting Policies

These condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended December 31, 2022.

These condensed consolidated interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2022. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the nine-month period ended September 30, 2023 are not necessarily indicative of the results that may be expected for the current fiscal year ending December 31, 2023.

4. Financial and Capital Risk Management

The Company classifies its financial instruments into categories as follows: cash and receivables as financial assets at amortized cost; marketable securities as FVTPL; accounts payable, Canada Emergency Business Account and due to/from related parties as other financial liabilities at amortized cost. The fair value of these financial instruments approximates their carrying value due to their short-term nature.

Fair Value

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:

- Level 1 – unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – inputs that are not based on observable market data.

Marketable securities are measured using level 1 inputs.

Credit Risk

Credit risk is the risk of a financial loss to the Company if counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is primarily held in major Canadian financial institutions, consequently the credit risk on cash is assessed as low. The Company's receivables consist of cost recoveries and reimbursements. Management believes that the credit risk concentration with respect to financial instruments included in receivables is minimal.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet the financial obligations as they fall due. The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets. As the Company does not have operating cash flow, the Company has relied primarily on equity financings to meet its capital requirements. The Company is exposed to liquidity risk.

Interest Rate Risk

Interest rate risk is the risk of change in the borrowing rates of the Company. The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

4. Financial and Capital Risk Management (continued)

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company has operations in the USA and Canada; however, its net monetary position in US dollars is minimal and therefore is not exposed to significant foreign exchange risk.

Commodity Risk

Commodity risk is the risk on financial performance due to fluctuations in the prices of commodities. The Company's ability to raise capital to fund exploration or development activities is subject to risks associated with fluctuations in the market price of commodities for which it is exploring. The Company closely monitors commodity prices to determine the appropriate course of action to be taken.

Capital Management

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 exploration of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company defines its capital as cash and shareholder's equity.

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 assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

In order to facilitate the management of its capital requirements, the Company prepares periodic expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to keep its cash treasury on demand deposit in an interest bearing Canadian chartered bank account. The Company is not subject to any externally imposed restrictions on its capital. There have been no changes to the Company's management of capital during the nine months ended September 30, 2023.

(Unaudited; Expressed in Canadian Dollars) `

5. Marketable Securities

On June 15, 2021, the Company received 1,000,000 shares of Churchill Resources Inc. pursuant to an agreement entered into in 2014 for the sale of the data of Amaruk Diamond property (Note 10(e)(iii)). The shares are measured and presented at fair value using the observable market share price as at the date of the statements of financial position. The gain or loss as a result of the re-measurement is recorded through profit and loss ("FVTPL").

September 30, 2023	**Number of Shares**		**Cost**		**Fair Value**
Churchill Resources Inc.	1,000,000	$	250,000	$	40,000

December 31, 2022	**Number of Shares**		**Cost**		**Fair Value**
Churchill Resources Inc.	1,000,000	$	250,000	$	95,000

		September 30, 2023		**September 30, 2022**
Net changes in fair value on marketable securities through profit and loss:				
Value at December 31, 2022 and 2021	$	95,000	$	185,000
Change in unrealized loss		(55,000)		(45,000)
Value at September 30, 2023 and 2022	$	40,000	$	140,000

6. Equipment

		Furniture and fixtures		**Computer equipment**		**Field equipment**		**Vehicles**		**Total**
Cost										
Balance, December 31, 2021	$	19,406	$	46,155	$	80,496	$	7,332	$	153,389
Disposal during the period		-		-		-		2,513		2,513
Balance, December 31, 2022		19,406		46,155		80,496		9,845		155,902
Additions		-		-		-		-		-
Balance, September 30, 2023	$	19,406	$	46,155	$	80,496	$	9,845	$	155,902
Accumulated depreciation										
Balance, December 31, 2021	$	17,912	$	45,104	$	73,075	$	6,738	$	142,829
Depreciation		299		315		2,226		888		3,728
Balance, December 31, 2022		18,211		45,419		75,301		7,626		146,557
Depreciation		179		166		1,168		377		1,890
Balance, September 30, 2023	$	18,390	$	45,585	$	76,469	$	8,003	$	148,447
Carrying amounts										
As at December 31, 2022	$	1,195	$	736	$	5,195	$	2,219	$	9,345
As at September 30, 2023	$	1,016	$	570	$	4,027	$	1,842	$	7,455

During the nine months ended September 30, 2023, the Company capitalized $1,545 (2022 - $2,433) of depreciation to mineral properties (Note 10).

(Unaudited; Expressed in Canadian Dollars) `

7. Deposits

		September 30, 2023		December 31, 2022
Office lease deposits	$	57,643	$	57,497
Exploration deposits		197,689		217,302
	$	255,332	$	274,799

Exploration deposits consists of bonds posted for the exploration properties which are held until reclamation is completed at the site.

8. Right-of-Use Assets and Lease Liabilities

The Company leased an office space under a non-cancellable operating lease for a period of two years expiring on August 31, 2025. On the commencement date, the Company recognized $70,774 of right-of-use assets ("ROU") and $1,257,367 of lease liabilities. The ROU asset of $70,774 represents the portion of office space used by the Company and the residual $1,186,593 represents the portion of office space used by sublessees.

The Company is liable for the liability under the head lease with the landlord. Sublessees have signed agreements for some of the offices within the area under the head lease, and the Company is responsible for the collection of any rental amounts from them.

The right-of-use assets and lease liabilities in relation to the extended lease are as follows:

	Lease Liability				Right-of-Use Asset		
Date	Beginning Balance	Lease Payment	Interest Expense	Ending Balance	Beginning Balance	Depreciation charge	Ending Balance
September 30, 2020	$ 1,257,367	$ (12,751)	$ 7,260	$ 1,251,876	$ 70,774	$ (1,180)	$ 69,594
December 31, 2020	1,251,876	(51,003)	21,513	1,222,386	69,594	(3,539)	66,055
March 31, 2021	1,222,386	(76,505)	20,621	1,166,502	66,055	(3,538)	62,517
June 30, 2021	1,166,502	(76,505)	19,637	1,109,634	62,517	(3,539)	58,978
September 30, 2021	1,109,634	(76,505)	18,636	1,051,765	58,978	(3,539)	55,439
December 31, 2021	1,051,765	(76,505)	17,617	992,877	55,439	(3,538)	51,901
March 31, 2022	992,877	(76,505)	16,581	932,953	51,901	(3,539)	48,362
June 30, 2022	932,953	(76,505)	15,526	871,974	48,362	(3,539)	44,823
September 30, 2022	871,974	(76,505)	14,453	809,922	44,823	(3,538)	41,285
December 31, 2022	809,922	(76,505)	13,360	746,777	41,285	(3,539)	37,746
March 31, 2023	746,777	(76,505)	12,249	682,521	37,746	(3,539)	34,207
June 30, 2023	682,521	(76,505)	11,118	617,134	34,207	(3,538)	30,669
September 30, 2023	617,134	(76,505)	9,967	550,596	30,669	(3,539)	27,130
December 31, 2023	550,596	(76,505)	8,796	482,887	27,130	(3,539)	23,591
March 31, 2024	482,887	(76,505)	7,604	413,986	23,591	(3,538)	20,053
June 30, 2024	413,986	(76,505)	6,391	343,872	20,053	(3,539)	16,514
September 30, 2024	343,872	(76,505)	5,157	272,524	16,514	(3,539)	12,975
December 31, 2024	272,524	(76,505)	3,901	199,920	12,975	(3,538)	9,437
March 31, 2025	199,920	(76,505)	2,623	126,038	9,437	(3,539)	5,898
June 30, 2025	126,038	(76,505)	1,323	50,856	5,898	(3,539)	2,359
August 31, 2025	50,856	(51,004)	148	-	2,359	(2,359)	-

(Unaudited; Expressed in Canadian Dollars) `

8. Right-of-Use Assets and Lease Liabilities (continued)

Interest expense incurred on the lease liability for the period ended September 30, 2023 was $33,334 (September 30, 2022 - $46,560). Depreciation recognized on the ROU asset for the period ended September 30, 2023 was $10,616 (September 30, 2022 - $10,616). The lease payments were discounted using a discount rate of 7% per annum, which represents the Company's estimated incremental borrowing rate.

9. Finance Lease Receivables

The reconciliation between the total gross investment in the lease and the net investment in the lease at September 30, 2023 is as follows:

		September 30, 2023		December 31, 2022
Gross receivable	$	794,708	$	1,022,480
Less: unearned finance income		(48,699)		(86,800)
Finance lease receivable	$	746,009	$	935,680
Current portion	$	376,764	$	330,644
Long-term portion		369,245		605,036
Finance lease receivable	$	746,009	$	935,680

The finance lease receivable was discounted using an incremental borrowing rate as at September 1, 2020 of 7% per annum. Finance income earned on the subleases during the period ended September 30, 2023 was $45,033 (September 30, 2022 - $65,398). Income from subleasing during the period ended September 30, 2023 was $74,899 (September 30, 2022 - $49,602).

(Unaudited; Expressed in Canadian Dollars) `

10. Mineral Properties

	Cooke Mountain	Empire Creek	Buckhorn 2.0	Hedley	Other	Total
Costs						
Balance, December 31, 2021	$ 3,808,936	$ 775,773	$ 779,797	$ 66,014	$ 331,128	$ 5,761,648
Acquisition cost	2,588	6,500	-	1,750	-	10,838
Camp costs	29,863	-	128,521	20,972	-	179,356
Depreciation (Note 6)	-	-	3,114	-	-	3,114
Drilling	96,394	-	601,554		-	697,948
Geochemistry	39,464	-	63,257	47,226	483	150,430
Geology	34,109	-	117,280	22,238	363	173,990
Geophysics	68,796	225	231,374	73,739	1,125	375,259
Holding costs	24,802	5,355	78,686	15,411	11,252	135,506
Management fees	30,892	-	-	-	-	30,892
Reclamation	1,464	-	-	-	-	1,464
Recovered exploration expenditures	(282,608)	-	-	-	-	(282,608)
Balance, December 31, 2022	3,854,700	787,853	2,003,583	247,350	344,351	7,237,837
Acquisition cost	2,644	-	-	-	-	2,644
Camp costs	43,110	-	20,196	1,557	84	64,947
Depreciation (Note 6)	1,030	-	515	-	-	1,545
Drilling	142,949	-	8,877		-	151,826
Geochemistry	6,221	-	23,371	49,028	24	78,644
Geology	4,713	-	1,813	7,250	126	13,902
Geophysics	6,831	-	14,397	4,920	-	26,148
Holding costs	8,822	5,630	84,698	500	8,944	108,594
Reclamation	758	-	3,393	-	-	4,151
Report	786	-	-	-	8,150	8,936
Mining tax credit BC METC	-	-	-	(15,327)	-	(15,327)
Balance, September 30, 2023	$ 4,072,564	$ 793,483	$ 2,160,843	$ 295,278	$ 361,679	$ 7,683,847

The Company holds the following mineral claims and permits:

(a) Cooke Mountain – Washington, USA

Adamera acquired the Cooke Mountain property by staking a 100% interest in these properties in Ferry County, Washington, including the Oversight, Lambert Creek and HLK properties.

On December 13, 2019, the Company entered into a loan agreement with Hochschild Mining (US) Inc. (“Hochschild”) where Hochschild lent the Company US$40,000 ($51,952) (the “Loan”) (received in December 2019) for staking additional land for the benefit of the Cooke Mountain property. Upon the execution of the exploration earn-in agreement (the “Agreement”), the Loan became part of the Qualifying Expenditures and the loan agreement was terminated.

On January 20, 2020 (the “Effective Date”), the Company entered into the Agreement with Hochschild whereby Hochschild could earn up to a 75% interest in the Cooke Mountain property. On July 18, 2022, Hochschild provided notice of termination of the Cooke Mountain Option Agreement. Prior to the notice of termination, Hochschild had forwarded a total of $2,359,005 (US$1,836,753) for the Cooke Mountain property.

The Company now holds an unconditional 100% interest in the Cooke Mountain Project.

10. Mineral Properties (continued)

(b) Empire Creek – Washington, USA

On May 21, 2014, Adamera entered into a lease and advance royalty agreement whereby the Company has the exclusive rights and lease to acquire an undivided 100% interest in the minerals rights on the Empire Creek property. Pursuant to the terms of the agreement, the following share issuances and payments are required:

i) US$1,000 on signing (paid) and 10,000 common shares (issued);
ii) US$1,000 (paid) and 10,000 common shares in the first year (issued);
iii) 20,000 common shares on or before December 1, 2015 (issued);
iv) 20,000 common shares on or before December 1, 2016 (issued);
v) 50,000 common shares (issued) or US$15,000 cash, at the Company's discretion, on or before December 1, 2017;
vi) 50,000 common shares (issued) or US$20,000 cash, at the Company's discretion, on or before December 1, 2018; and
vii) 100,000 common shares (issued) or US$20,000 cash, at the Company's discretion, on or before December 1, 2019 and each subsequent year until termination of the agreement (100,000 shares were issued on December 8, 2020, 100,000 shares on December 1, 2021, and 100,000 shares on December 1, 2022; Notes 14(b)(iii)).

The property is subject to a 2% net smelter returns royalty ("NSR"), of which the Company has the option to purchase one-half of the NSR (1%) for US$1,000,000 and the second half may be purchased for an additional payment of US$1,000,000.

(c) Buckhorn 2.0 – Washington, USA

Adamera acquired the Buckhorn 2.0 property by staking a 100% interest in these properties in Washington. The claims staked and recorded by the Company are subject to final determination by the Bureau of Land Management and are subject to a 1% royalty, of which 0.5% may be purchased for $500,000 at anytime.

On May 21, 2020, Adamera entered into an agreement to lease a number of claims for a period of 6 years in Washington State for US$1,000 (paid) and 100,000 common shares (issued). The Company may extend the lease beyond 2026 by paying US$1,000 per year. At any time, the Company may purchase the claims for US$50,000, subject to a 2% royalty of which 1% may be purchased for US$1,000,000.

On September 3, 2021, the Company entered into a Data Transfer Agreement ("Agreement") with a wholly owned subsidiary of Kinross Gold Corp ("Kinross"). In exchange for this data, the Company reserved a 2% net smelter returns production royalty (the "Royalty") for Kinross on claims held on federal lands and a 0.5% Royalty on State lease land. The Company may purchase half of the Royalty for $2,000,000.

(d) Hedley – British Columbia, Canada

Adamera acquired the Hedley property by staking a 100% interest in the property in British Columbia Canada.

On November 26, 2022, the Company expanded Hedley property by acquiring 100% interest in the Polecat claims in British Columbia Canada for 25,000 common shares (issued; Note 14(b)(iv)). The claims are subject to a 2% net smelter returns royalty ("NSR"), of which the Company has the option to purchase at anytime for $500,000.

(Unaudited; Expressed in Canadian Dollars) `

10. Mineral Properties (continued)

(e) Others

i) Talisman – Washington USA and British Columbia Canada

Adamera acquired the Talisman property by staking a 100% interest in these property in Ferry County Washington and British Columbia Canada.

ii) Flaghill – Washington USA

Adamera acquired the Flaghill property by staking a 100% interest in the property in Ferry County, Washington.

iii) Nunavut and Northwest Territories, Canada

During fiscal 2014, the Company entered into an agreement to sell data related to certain diamond properties for $50,000 on signing (received) and $50,000 (received) upon claims getting registered, and 1,000,000 common shares (received) (Note 5) on registration of claims within an area of interest. The Company will retain a 2% gross overriding royalty on diamonds mined in the area of interest.

As a result of previously ceasing activities on the uranium, diamond and gold properties in the Northwest Territories, the Company is required to dispose of fuel and related camp supplies. During the year ended December 31, 2022, the Company engaged a contractor to clean up the site and utilized the restoration provisions and spent an additional $60,535 for the clean up. As at September 30, 2023, the Company has recorded a provision for disposal costs of $50,000 (December 31, 2022 - $50,000). The site is subject to the Nunavut government's inspection.

(f) British Columbia Mining Exploration Tax Credit ("BC METC")

During the nine months ended September 30, 2023, the Company received BC METC of $15,327 (December 31, 2022 - $Nil) which is recorded as a reduction of exploration and development costs.

11. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities are as follows:

		September 30, 2023		**December 31, 2022**
Accounts payable	$	60,206	$	80,822
Accruals		-		33,500
	$	60,206	$	114,322

(Unaudited; Expressed in Canadian Dollars) `

12. Canada Emergency Business Account ("CEBA")

In April 2020, the Company received $40,000 from the Government of Canada related to CEBA. CEBA is an interest-free loan launched by the Government of Canada to ensure that businesses have access to capital during the COVID-19 pandemic and can only be used to pay non-deferrable operating expenses. The terms of CEBA are as follows:

i) 0% interest operating line of credit until December 31, 2020;
ii) On January 1, 2021, this operating line of credit will be converted to a 2-year 0% interest term loan, to be repaid by December 31, 2023. $10,000 of the loan will be forgiven if $30,000 is repaid in full on or before December 31, 2023.
iii) If on December 31, 2023, the Company exercises the option for a 2-year term extension, 5% interest during this term extension period will apply on any balance remaining.

13. Related Party Transactions

The Company entered into the following related party transactions during the nine months ended September 30, 2023:

	Services		As at September 30, 2023		As at December 31, 2022
Amounts due to:					
Mark Kolebaba, Chief Executive Officer & director	Expense reimbursements	$	-	$	80,507
Pacific Opportunity Capital Ltd. (a)	Management and accounting services		15,766		19,163
Commander Resources Ltd.(b)	Rent deposit		8,395		8,395
TOTAL:		$	26,917	$	108,065

Renumeration (key management personnel):	Services		During the nine months ended September 30, 2023		During the nine months ended September 30, 2022
Mark Kolebaba, Chief Executive Officer & director	Wages and benefits	$	105,000	$	97,900
1273868 BC Ltd. (a)	Consulting services and equipment rental		45,365		19,600
Pacific Opportunity Capital Ltd. (a)	Accounting services		82,840		95,200
Directors & officers	Share-based compensation		-		8,745
TOTAL:		$	233,205	$	221,445

Payments from related parties	Services		During the nine months ended September 30, 2023		During the nine months ended September 30, 2022
Commander Resources Ltd.(b)	Rent and reimbursments	$	28,336	$	27,553
TOTAL:		$	28,336	$	27,553

(a) Mark T. Brown, CFO of the Company is the president of Pacific Opportunity Capital Ltd.
(b) Bernard Kahlert, the former director of the Company is also a director of Commander Resources Ltd.

Amounts due to related parties are non-interest bearing, unsecured and have no fixed terms of repayment.

14. Share Capital

(a) Authorized

As at September 30, 2023, the authorized share capital of the Company is an unlimited number of common shares without par value. All issued shares were fully paid common shares.

(b) Share Issuances and share subscribed

<u>2022 transactions:</u>

i) On July 20, 2022, the Company completed a non-brokered flow-through private placement for the issuance of 2,000,000 flow-through ("FT") shares at a price of $0.10 per FT share for gross proceeds of $200,000. The Company recorded a flow-through share premium liability of $80,000 in connection with this financing (Note 18).

ii) On August 29, 2022, the Company completed a non-brokered private placement for the issuance of 16,739,333 units at $0.06 per unit for a total of $1,004,360. Each unit consisted of one common share and one-half share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 until August 29, 2025. These warrants have a forced exercise price. If the closing price of the Company's shares is $0.20 or greater for a period of 10 consecutive trading days, the warrant holder will have 30 days from the date the Company gives notice to exercise their warrants; otherwise, the warrants expire on the 31st day after the Company gives such notice. The Company incurred share issue costs in the amount of $8,023 in connection with the placement.

iii) On December 1, 2022, the Company issued a total of 100,000 common shares valued at $6,500 pursuant to the lease and advance royalty agreement on the Empire Creek property (Note 10(b)(vii)).

iv) On December 7, 2022, the Company issued a total of 25,000 common shares valued at $1,750 pursuant to the purchase agreement on the Polecat claims (Note 10(d)).

<u>2023 transactions:</u>

v) On April 25, 2023, the Company completed a non-brokered private placement for the issuance of 6,700,000 units at $0.05 per unit for a total of $335,000. Each unit consisted of one common share and one-half share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of $0.10 until April 25, 2025. These warrants have a forced exercise price. If the closing price of the Company's shares is $0.20 or greater for a period of 10 consecutive trading days, the warrant holder will have 30 days from the date the Company gives notice to exercise their warrants; otherwise, the warrants expire on the 31st day after the Company gives such notice. The warrants are ascribed a value of $67,000 based on residual method. The Company incurred share issue costs in the amount of $13,647 in connection with the placement.

vi) In September 2023, the Company received $138,000 for a non-brokered private placement announced in October 2023 (Note 19).

(Unaudited; Expressed in Canadian Dollars) `

14. Share Capital (continued)

(c) Stock Options

The Company has established a share option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Options granted must be exercised no later than ten years from the date of grant (or lesser period prescribed by the Exchange policies), or such lesser period as determined by the Company's board of directors. The exercise price of an option is equal to or greater than the closing market price on the Exchange on the day preceding the date of grant. The vesting terms for each grant are set by the Board of Directors. The share option plan provides that the aggregate number of shares reserved for issuance under the plan shall not exceed 10% of the total number of issued and outstanding shares, calculated at the date of grant.

Stock option transactions are summarized as follows:

Expiry date	Exercise price	December 31, 2021	Granted	Exercised	Expired / Cancelled	December 31, 2022
March 31, 2022	$ 0.145	675,000	-	-	(675,000)	-
May 5, 2022	$ 0.100	225,000	-	-	(225,000)	-
June 2, 2022	$ 0.200	2,000,000	-	-	(2,000,000)	-
July 16, 2023	$ 0.055	1,325,000	-	-	-	1,325,000
December 3, 2023	$ 0.100	2,455,000	-	-	(400,000)	2,055,000
June 8, 2025	$ 0.100	1,760,000	-	-	(400,000)	1,360,000
July 9, 2025	$ 0.100	2,900,000	-	-	-	2,900,000
March 22, 2026	$ 0.100	960,000	-	-	-	960,000
September 23, 2026	$ 0.080	2,275,000	-	-	-	2,275,000
November 28, 2027	$ 0.080	-	3,815,000	-	-	3,815,000
Options outstanding		14,575,000	3,815,000	-	(3,700,000)	14,690,000
Options exercisable		14,095,000	3,815,000	-	(3,700,000)	14,690,000
Weighted average exercise price		$ 0.109	$ 0.080	$ -	$ 0.162	$ 0.088

Expiry date	Exercise price	December 31, 2022	Granted	Exercised	Expired / Cancelled	September 30, 2023
July 16, 2023	$ 0.055	1,325,000	-	-	(1,325,000)	-
December 3, 2023	$ 0.100	2,055,000	-	-	-	2,055,000
June 8, 2025	$ 0.100	1,360,000	-	-	-	1,360,000
July 9, 2025	$ 0.100	2,900,000	-	-	-	2,900,000
March 22, 2026	$ 0.100	960,000	-	-	-	960,000
September 23, 2026	$ 0.080	2,275,000	-	-	-	2,275,000
November 28, 2027	$ 0.080	3,815,000	-	-	-	3,815,000
January 23, 2028	$ 0.060	-	350,000	-	-	350,000
Options outstanding		14,690,000	350,000	-	(1,325,000)	13,715,000
Options exercisable		14,690,000	350,000	-	(1,325,000)	13,715,000
Weighted average exercise price		$ 0.088	$ 0.060	$ -	$ 0.055	$ 0.090

The fair value of options granted and expensed during the nine months ended September 30, 2023 was $19,005 (2022 - $8,745) or $0.05 (2022 - $0.02) per option.

(Unaudited; Expressed in Canadian Dollars) `

14. Share Capital (continued)

(c) Stock Options (continued)

The fair value of each option grant is estimated on the date of grant using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	September 30, 2023	September 30, 2022
Expected dividend yield	0.00%	0.00%
Expected stock price volatility	153.42%	153.76%
Risk-free interest rate	1.61%	1.27%
Forfeiture rate	0.00%	0.00%
Expected life of options	5 years	5 years

(d) Warrants

Warrant transactions are summarized as follows:

Expiry date		Exercise price	December 31, 2021	Issued	Exercised	Expired	December 31, 2022
March 18, 2022		$ 0.15	27,500	-	-	(27,500)	-
March 18, 2023	(a)	$ 0.15	8,125,000	-	-	-	8,125,000
July 11, 2023	(b)	$ 0.12	4,166,667	-	-	-	4,166,667
December 22, 2023	(c)	$ 0.10	6,825,000	-	-	-	6,825,000
January 2, 2024	(d)	$ 0.10	4,525,000	-	-	-	4,525,000
August 29, 2025	(e)	$ 0.10	-	8,369,665	-	-	8,369,665
Outstanding			23,669,167	8,369,665	-	(27,500)	32,011,332
Weighted average exercise price			$ 0.12	$ 0.10	$ -	$ 0.15	$ 0.12

Expiry date		Exercise price	December 31, 2022	Issued	Exercised	Expired	September 30, 2023
July 11, 2023	(b)	$ 0.12	4,166,667	-	-	(4,166,667)	-
December 22, 2023	(c)	$ 0.10	6,825,000	-	-	-	6,825,000
January 2, 2024	(d)	$ 0.10	4,525,000	-	-	-	4,525,000
March 18, 2024	(a)	$ 0.15	8,125,000	-	-	-	8,125,000
August 29, 2025	(e)	$ 0.10	8,369,665	-	-	-	8,369,665
April 25, 2025	(e)	$ 0.10	-	3,350,000	-	-	3,350,000
Outstanding			32,011,332	3,350,000	-	(4,166,667)	31,194,665
Weighted average exercise price			$ 0.12	$ 0.10	$ -	$ 0.12	$ 0.11

(a) These warrants have a forced exercise provision. If the closing price of the Company's shares is $0.25 or greater for a period of 10 consecutive trading days, the warrant holder will have 30 days from the date the Company gives notice to exercise their warrants; otherwise the warrants expire on the 31st day after the Company gives such notice. On March 13, 2023, the expiry date of 8,125,000 warrants was extended to March 18, 2024.

(b) These warrants have a forced exercise provision. If the closing price of the Company's shares is $0.20 or greater for a period of 10 consecutive trading days, the warrant holder will have 30 days from the date the Company gives notice to exercise their warrants; otherwise the warrants expire on the 31st day after the Company gives such notice. On December 6, 2021, the expiry date of 4,166,667 warrants was extended to January 11, 2023 and on December 1, 2022, the expiry date was further extended to July 11, 2023.

(c) On June 9, 2021, the expiry date of 6,825,000 warrants was extended to December 22, 2021, on December 6, 2021, the expiry date was further extended to December 22, 2022 and on December 1, 2022, the expiry date was further extended to December 22, 2023.

(d) On June 9, 2021, the expiry date of 4,525,000 warrants was extended to January 2, 2022, on December 6, 2021, the expiry date was further extended to January 2, 2023 and on December 1, 2022, the expiry date was further extended to January 2, 2024.

(Unaudited; Expressed in Canadian Dollars) `

14. Share Capital (continued)

(d) Warrants (continued)

(e) These warrants have a forced exercise provision. If the closing price of the Company's shares is $0.20 or greater for a period of 10 consecutive trading days, the warrant holder will have 30 days from the date the Company gives notice to exercise their warrants; otherwise, the warrants expire on the 31st day after the Company gives such notice.

(e) Share-based compensation reserve

The share-based compensation reserve records items recognized as share-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital.

15. Supplemental Disclosure With Respect to Cash Flows

		September 30, 2023		September 30, 2023
Significant non-cash investing and financing activities				
Mineral property expenditures included in accounts payable	$	26,402	$	116,720
Mineral property expenditures included in due to related parties		2,625		-
Residual value of warrants issued as part of private placement		67,000		-
Depreciation included in mineral property expenditures		1,545		2,433

16. Segmented Information

The Company conducts its business as a single operating segment being the acquisition and exploration of mineral properties. The Company's non-current non-financial assets by geographic area are as follows:

		September 30, 2023		December 31, 2022
Canada	$	774,687	$	973,362
USA		7,568,322		7,191,401
	$	8,343,009	$	8,164,763

17. Commitment

The Company leases an office under non-cancellable operating leases for a period of five years expiring on August 31, 2025. Total lease liabilities of $550,596 were recorded as at September 30, 2023 (Note 8).

(Unaudited; Expressed in Canadian Dollars) `

18. Flow-Through Share Premium Liability

		September 30, 2023		December 31, 2022
Balance, beginning of the period	$	16,075	$	-
Flow-through share premium liability recognized		-		80,000
Flow-through share premium recovery		(16,075)		(63,925)
Balance, end of the period	$	-	$	16,075

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures.

During the year ended December 31, 2022, the Company received $200,000 from the issuance of flow-through shares at a premium to the market price and recognized a flow-through share premium liability of $80,000 (Note 14(b)(i)). During the nine months ended September 30, 2023, the Company incurred and renounced eligible expenditures of $40,187 (2022 - $$Nil). These expenditures will not be available to the Company for future deduction from taxable income.

Under the IFRS framework, the increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds, or “premium”, are recorded as deferred income. As at September 30, 2023, the Company had a remaining qualifying expenditure commitment of $Nil (December 31, 2022 - $40,187) from the proceeds of flow-through shares issued on July 20, 2022.

19. Event after the Reporting Period

On October 24, 2023, the Company completed a non-brokered private placement for the issuance of 1,160,000 flow-through (“FT”) shares at a price of $0.05 per FT share for a total of $58,000. The Company also completed a non-brokered private placement for the issuance of 5,000,000 units at $0.05 per unit for a total of $250,000. Each unit consisted of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to purchase one additional common share at a price of $0.05 until October 24, 2026. The Company incurred share issue costs in the amount of $3,093 in connection with the placement.