

**Galway Metals Inc.**

**Condensed Interim Consolidated Financial Statements  
For the Three and Nine Months Ended September 30, 2023 and 2022  
(Expressed in Canadian Dollars)  
(Unaudited)**

## **MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING**

The accompanying unaudited condensed interim consolidated financial statements of Galway Metals Inc. (the "Company") are the responsibility of management and the Board of Directors.

The unaudited condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited condensed interim consolidated financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 - Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established processes, which are in place to provide it with sufficient knowledge to support management representations that it has exercised reasonable diligence in that (i) the unaudited condensed interim consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of, and for the periods presented by, the unaudited condensed interim consolidated financial statements and (ii) the unaudited condensed interim consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the unaudited condensed interim consolidated financial statements.

The Board of Directors is responsible for reviewing and approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited condensed interim consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

## **NOTICE TO READER**

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

**Galway Metals Inc.**  
**Condensed Interim Consolidated Statements of Financial Position**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

<b>As at</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 4,848,292	\$ 5,836,618
Prepays and deposits	57,206	115,216
HST receivable	440,265	540,314
	<b>5,345,763</b>	<b>6,492,148</b>
Non-current asset		
Resource property costs (Note 3)	9,017,329	8,408,133
Property and equipment (Note 6)	1,319,167	1,327,522
	<b>\$ 15,682,259</b>	<b>\$ 16,227,803</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable and accrued liabilities (Note 11)	\$ 375,127	\$ 237,141
Flow-through premium liability (Note 10)	1,766,676	1,166,673
Current portion of note payable (Note 12)	70,755	69,444
	<b>2,212,558</b>	<b>1,473,258</b>
Non-current liabilities		
Note payable (Note 12)	66,856	131,570
	<b>2,279,414</b>	<b>1,604,828</b>
<b>Shareholders' Equity</b>		
Common shares (Note 5)	68,666,104	65,283,191
Contributed surplus	9,556,847	9,480,597
Accumulated other comprehensive income	109,419	149,045
Deficit	(64,929,525)	(60,289,858)
	<b>13,402,845</b>	<b>14,622,975</b>
	<b>\$ 15,682,259</b>	<b>\$ 16,227,803</b>

**Nature of Operations** (Note 1)

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

**Galway Metals Inc.**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Expenses</b>				
Administrative expenses (Note 8)	\$ 412,566	\$ 650,122	\$ 1,779,146	\$ 1,816,301
Stock-based compensation (Note 6)	-	3,119	21,190	108,760
(Gain) loss on foreign exchange	(823)	10,578	(20,794)	(33,572)
Exploration expenses (Note 9)	994,979	1,997,474	2,940,601	10,284,323
Amortization	2,785	1,921	8,354	10,466
	<b>1,409,507</b>	<b>2,663,214</b>	<b>4,728,497</b>	<b>12,186,278</b>
<b>Other Income</b>				
Interest income	(87,100)	(486)	(88,830)	(2,374)
Premium on flow-through shares (Note 10)	-	-	-	(3,258,690)
<b>Net Loss</b>	<b>\$ (1,322,407)</b>	<b>\$ (2,662,728)</b>	<b>\$ (4,639,667)</b>	<b>\$ (8,925,214)</b>
<b>Other Comprehensive Loss</b>				
Items that will be reclassified subsequently into income:				
Cumulative translation adjustment	\$ 1,945	\$ (43,477)	\$ (39,626)	\$ (45,092)
<b>Net Comprehensive loss</b>	<b>\$ (1,320,462)</b>	<b>\$ (2,706,205)</b>	<b>\$ (4,679,293)</b>	<b>\$ (8,970,306)</b>
<b>Loss per share - basic and diluted</b>	<b>\$ (0.02)</b>	<b>\$ (0.04)</b>	<b>\$ (0.07)</b>	<b>\$ (0.15)</b>
<b>Weighted average number of common shares outstanding - basic and diluted**</b>	<b>71,857,964</b>	<b>62,369,700</b>	<b>69,520,053</b>	<b>60,977,592</b>

**\*\*Retroactively restated to reflect the 1 for 3 share consolidation completed January 27, 2023. (Note 1)**

**Galway Metals Inc.**  
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

	Share Capital	Contributed Surplus	Accumulated Other Comprehensive Income (Loss)	Deficit	Total
Balance, December 31, 2021	\$ 56,637,507	\$ 9,021,237	\$ 156,429	\$ (49,549,058)	\$ 16,266,115
Cumulative translation adjustment	-	-	(21,117)	-	(21,117)
Shares issued on private placements	10,500,055	-	-	-	10,500,055
Costs of issue	(816,036)	-	-	-	(816,036)
Issuance of finders warrants	(251,145)	251,145	-	-	-
Flow-through share premium	(1,166,673)	-	-	-	(1,166,673)
Issuance of warrants for property	375,000	-	-	-	375,000
Stock-based compensation	-	108,760	-	-	108,760
Net income for the period	-	-	-	8,925,214	8,925,214
<b>Balance, September 30, 2022</b>	<b>\$ 65,278,708</b>	<b>\$ 9,381,142</b>	<b>\$ 135,312</b>	<b>\$ (40,623,844)</b>	<b>\$ 34,171,318</b>
Balance, December 31, 2022	\$ 65,283,191	\$ 9,480,597	\$ 149,045	\$ (60,289,858)	\$ 14,622,975
Cumulative translation adjustment	-	-	(39,626)	-	(39,626)
Shares issued on private placement	4,000,000	-	-	-	4,000,000
Flow-through share premium	(600,003)	-	-	-	(600,003)
Costs of issue	(326,461)	-	-	-	(326,461)
Shares issued for property	364,437	-	-	-	364,437
Issuance of finders warrants	(55,060)	55,060	-	-	-
Stock-based compensation	-	21,190	-	-	21,190
Net loss for the period	-	-	-	(4,639,667)	(4,639,667)
<b>Balance, September 30, 2023</b>	<b>\$ 68,666,104</b>	<b>\$ 9,556,847</b>	<b>\$ 109,419</b>	<b>\$ (64,929,525)</b>	<b>\$ 13,402,845</b>

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

**Galway Metals Inc.**  
**Condensed Interim Consolidated Statements of Cash Flows**  
**(Expressed in Canadian Dollars)**  
**(Unaudited)**

<b>For the Nine Months Ended September 30,</b>	<b>2023</b>	<b>2022</b>
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Net loss for the period	\$ (4,639,667)	\$ (8,925,214)
Items not affecting cash:		
Amortization	8,354	10,466
Share-based compensation (Note 6)	21,190	108,760
Premium on flow-through shares	-	(3,258,690)
Accretion of note payable	11,598	15,501
Changes in current assets and liabilities:		
Prepays and deposits	58,010	(24,067)
HST receivable	100,049	113,710
Accounts payable and accrued liabilities	137,986	(443,722)
	<b>(4,302,480)</b>	<b>(12,403,256)</b>
<b>Investing activities</b>		
Repayment of promissory note	(75,000)	(75,000)
Resource property acquisition costs	(244,759)	(235,516)
Restricted cash	-	53,236
	<b>(319,759)</b>	<b>(257,280)</b>
<b>Financing activities</b>		
Net proceeds from issuance of shares	3,673,539	9,684,019
Unrealized foreign exchange loss	(39,626)	(21,117)
<b>Net change in cash and cash equivalents</b>	<b>(988,326)</b>	<b>(2,997,634)</b>
Cash and cash equivalents, beginning of period	5,836,618	10,681,021
<b>Cash and cash equivalents, end of period</b>	<b>\$ 4,848,292</b>	<b>\$ 7,683,387</b>
<b>Supplementary Cash Flow Information</b>		
Shares issued for property (Note 3(i))	\$ 364,437	\$ -

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

**Galway Metals Inc.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
**(Expressed in Canadian Dollars)**  
**For the Three and Nine Months Ended September 30, 2023 and 2022**  
**(Unaudited)**

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**1. Nature of Operations**

Galway Metals Inc. ("the Company") was incorporated pursuant to the Business Corporations Act (New Brunswick) on May 9, 2012, and continued to the Province of Ontario on July 21, 2015. The Company's head office is located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

The Company is in the process of exploring the Clarence Stream and Estrades gold and polymetallic projects, located in New Brunswick and Quebec, respectively, and has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The continuing operations of the Company and the underlying value and recoverability of the amounts shown for mineral properties are entirely dependent upon the existence of economically recoverable mineral reserves, the ability to obtain the necessary financing to complete the exploration and development of the mineral property interests and on future profitable production or proceeds from the disposition of the mineral property interests.

The Company's common shares trade on the TSX Venture Exchange under the symbol "GWM".

On January 27, 2023, the Company completed a consolidation of its share capital on the basis of one post consolidation share for every three pre-consolidation shares. All common shares, per share amounts, stock options and warrants disclosed within these consolidated financial statements have been retroactively restated to reflect the share consolidation.

**2. Accounting Policies**

**Statement of Compliance**

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC. These unaudited condensed interim consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended December 31, 2022.

These unaudited condensed interim consolidated financial statements were authorized for issuance by the Board of Directors of the Company on November 29, 2023.

**Basis of Presentation**

In the preparation of these unaudited condensed interim consolidated financial statements, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the period. Actual results could differ from these estimates.

**Basis of Consolidation**

These consolidated financial statements incorporate the financial statements of the Company and its wholly owned subsidiaries, Galway Resources US Inc, and Nyak Resources Inc. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

**Segment Reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief executive officer of the Company. The Company has determined that it has one operating segment, the acquisition, exploration and development of mineral resource properties in Canada.

**Galway Metals Inc.**  
**Notes to Condensed Interim Consolidated Financial Statements**  
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**3. Resource Property Costs**

	<b>Nine Months Ended September 30, 2023</b>	<b>Year Ended December 31 2022</b>
<u>Clarence Stream Project, New Brunswick, Canada</u>		
Balance, beginning of period	\$ 6,503,270	\$ 5,908,590
Acquisition costs	598,412	594,680
Balance, end of period	<b>\$ 7,101,682</b>	\$ 6,503,270
<u>Estrades Project, Quebec, Canada</u>		
Balance, beginning of period	\$ 1,904,863	\$ 1,848,962
Acquisition costs	10,784	55,901
Balance, end of period	<b>\$ 1,915,647</b>	\$ 1,904,863
<b>Total Resource Property Costs, End of Period</b>	<b>\$ 9,017,329</b>	\$ 8,408,133

i) Clarence Stream Project, New Brunswick, Canada

On August 3, 2016 Galway entered into an Option Agreement to acquire a 100% undivided interest in Wolfden Resources Corporation's Clarence Stream property in south-western New Brunswick, Canada. In conjunction with this acquisition, Galway acquired Jubilee Gold Exploration Ltd.'s Birneys Lake property, which is adjacent on the south side of Wolfden's Clarence Stream property, and the Company staked a significant number of additional claims both to the east and west of Clarence Stream.

Cash payments for the initial Clarence Stream acquisitions will be \$3.5 million over three years plus 1% Net Smelter Return (NSR) royalties on portions of the project, with Galway retaining rights to acquire most of the NSR's. Galway has completed cash payments of \$2.75 million of the \$3.5 million total.

Jubilee: Galway acquired the Birneys Lake project at Clarence Stream for \$200,000 (paid) plus a 1% NSR royalty with a buyback option for half (0.5%) at any time for \$500,000.

Globex: Subsequent to the original acquisition on August 3, 2016, Galway Acquired 100% of the Lower Tower Hill Property from Globex Mining Enterprises for 86,667 shares plus a 2.5% Gross Metal Royalty on those claims.

Wolfden: Galway has the option to acquire 100% of Wolfden's interest in the Clarence Stream property by making the following payments:

- \$750,000 upon closing (2016 - paid)
- \$750,000 upon the first anniversary of closing (2017 - paid)
- \$1.0 million upon the second anniversary of closing (paid July 10, 2018)
- \$750,000 upon the third anniversary of closing (paid July 2019)
- 1% NSR royalty with a full buyback option at any time for \$2.0 million.

On July 21, 2020, the Company closed an agreement dated July 15, 2020 with an arm's length third party royalty holder to buy back a two percent (2.0%) net smelter returns royalty (the "Royalty") on the Wolfden option covering certain mineral claims at the Company's Clarence Stream property in southwest New Brunswick. The mineral claims fully cover the South, North and George Murphy Zones, the gap area between the George Murphy and Richard Zones, and potential extensions to these zones and other prospective targets.



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**3. Resource Property Costs (Continued)**

i) Clarence Stream Project, New Brunswick, Canada (Continued)

The original option agreement allowed only for buyback of one percent (1.0%) of the royalty for \$500,000 for each 0.5%. Galway was able to negotiate with the royalty holder to purchase the royalty in its entirety. Under terms of the Agreement, Galway Metals will pay a total purchase price of \$3,000,000 in six equal annual instalments of \$500,000, with each partial payment representing the purchase of one-sixth (1/6) of the Royalty. Pursuant to the Agreement, on closing Galway issued 144,928 common shares (ascribed a fair value of \$500,000 on the date of issuance) in the capital of the Company to the royalty holder, which represented the first Partial Payment. Each subsequent \$500,000 partial payment shall be paid as follows: (i) \$125,000 in cash (paid); and, (ii) the remaining \$375,000, at the sole election of the Company, shall be paid either in cash, through the issuance of shares or a combination thereof as shall equal \$375,000 with the shares valued at a deemed price equal to the higher of: (A) the closing price of the Shares on the TSX Venture Exchange ("TSXV") on the day that is two (2) business days prior to the date of the respective share issuance, and (B) the lowest price of shares that shall be acceptable to the TSXV. (308,642 shares issued with an ascribed fair value of \$375,000) The shares will be subject to the statutory hold periods of four months and one day.

In July 2021, the Company settled the second installment through a cash payment of \$125,000 and the issuance of 925,926 common shares ascribed a fair value of \$375,000. In July 2022, the Company settled the third installment through a cash payment of \$125,000 and the issuance of 308,642 common shares in settlement of the remaining \$375,000 third instalment obligation. In July 2023, the Company settled the fourth installment through a cash payment of \$125,000 and the issuance of 1,056,838 common shares in settlement of the remaining \$375,000 fourth instalment obligation.

On July 27, 2020, Galway entered into an agreement with an arm's length third party royalty holder to buy back a one percent (1.0%) net smelter returns royalty. This was a separate royalty and is in addition to the royalty purchase noted above. The mineral claims subject to the royalty cover the Jubilee Zone, parts of the Richard Zone and other prospective properties. Under terms of the agreement, the Company paid a total purchase price of \$580,000 comprised of a cash payment of \$100,000 and 133,333 common shares (ascribed a fair value of \$620,000 on the date of issuance).

On August 25, 2020, the Company optioned 5 claim groups consisting of a total of 79 claim units. The Company is required to pay the vendor an aggregate of \$500,000, divided in seven (7) equal installments of \$71,429. The first payment was made upon the approval of the TSX Venture Exchange ("TSXV"), with each subsequent payment occurring on or before the anniversary of this agreement for the following six years. The first payment shall, and at the sole election of the Company, each subsequent payment may be paid either in cash, or 80% in cash and 20% in Galway shares. As such, each payment will be comprised of \$57,143 in cash and \$14,286 worth of Galway shares or in cash, with the Galway shares valued at a deemed price equal to the higher of: (A) the closing price of the Galway shares on the TSXV on the day that is two (2) business days prior to the date of the respective share issuance, and (B) the lowest price of Galway shares that shall be acceptable to the TSXV. The Galway shares will be subject to the statutory hold periods of four months and one day. For the first share issuance, a total of 3,175 Galway shares were issued, and were ascribed a fair value of \$12,476 on the date of issuance. On August 8, 2022, the Company paid \$71,429 in settlement of its 2022 obligation. On August 2, 2023, the Company paid \$71,429 in settlement of its 2023 obligation.

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**3. Resource Property Costs (Continued)**

ii) Estrades Project, Quebec, Canada

On August 18, 2016, Galway acquired an undivided 100% ownership interest in the former producing, Estrades mine, related Newiska concessions, and adjacent Casa Berardi claims in western Quebec, Canada.

In order to consolidate the Estrades, Newiska and Casa Berardi claim blocks, Galway completed deals with Mistango River Resources Inc., CR Capital Corporation, First Quantum Minerals Ltd., Globex Mining Enterprises Inc. and a private company, plus the Company staked additional claims. Galway Staked additional claims along the Estrades and Newiska felsic rhyolite horizons. Subsequent to the original acquisition on August 18, 2016, Galway acquired 34 claims adjacent to its Estrades, Newiska and Casa Berardi concessions from GREG Exploration, Inc. for \$34,000.

Cash payment for all the properties Galway acquired, including the Estrades, Newiska and Casa Berardi claims, was \$1.35 million. In addition, Galway issued 266,667 units, valued at \$0.75, with each unit comprised of a share and a three-year warrant exercisable at \$1.56. The 266,667 common share component was valued at \$122,297 and the warrant component was valued at \$77,703 using the Black-Scholes pricing model and applying the relative fair value allocation to the share and warrant components. The following assumptions were used in the Black-Scholes model for initial warrant valuation: a risk-free rate of 0.57%, an expected life of 3 years, an expected volatility of 102.46% and an expected dividend yield of 0%. The Company has also agreed to issue three royalties on portions of the properties.

Mistango River Resources:	Cash payment of \$700,000 (2016 - paid), plus a 1% NSR royalty on portions of three claims. This royalty has a buyout option at any time for \$1 million. On May 8, 2019, Galway purchased the 1% NSR royalty for \$75,000.
CR Capital:	Cash payment of \$150,000 (2016 - paid) on CR Capital's property in which it held an approximate 64.6% interest.
First Quantum Minerals:	No cash or share payment. First Quantum exchanged its approximate 35.4% minority interest in CR Capital's property for a 2% NSR royalty. There is no buyout option on this royalty. First Quantum's share of the CR Capital property hosts a portion of the East Zone and the Newiska Block.
Private Company:	\$300,000 (2016 - paid) cash and 266,667 units as described above, subject to regulatory approval. The private company held rights to all historic data on the Estrades property.
Globex Mining Enterprises:	\$200,000 (2016 - paid) cash and a 1% Gross Metal Royalty (similar to an NSR royalty). There is no buyout option on this royalty.
Greg Exploration:	Subsequent to the original acquisition on August 18, 2016, Galway acquired 34 claims adjacent to its Estrades, Newiska and Casa Berardi concessions from GREG Exploration, Inc. for \$34,000.
Radisson Mining:	Subsequent to the original acquisition on August 18, 2016, Galway acquired 14 additional claims adjacent to its Estrades and Newiska concessions from Radisson Mining Resources Inc. for 50,000 shares (ascribed a fair value of \$42,000) plus 25,000 share purchase warrants exercisable during a two-year period from February 5, 2018 at \$1.50 per warrant. There are pre-existing NSR royalties of 2.0% on portions of Mistango's and Globex's Casa Berardi claims. On Globex's claims, 1.5% of the 2.0% royalty can be purchased at any time for \$1.5 mm.

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**3. Resource Property Costs (Continued)**

ii) Estrades Project (Continued)

On February 5, 2018, the Company acquired 14 additional claims adjacent to its Estrades polymetallic VMS property located in the northern Abitibi of western Quebec. The claims were purchased from Radisson Mining Resources Inc. for 50,000 (ascribed a fair value of \$42,000) shares plus 25,000 share purchase warrants exercisable during a two-year period from the day of closing at \$1.50 per warrant.

The fair value of the 25,000 warrants issued was \$8,483 as calculated using the Black-Scholes option pricing model with the following assumptions: a 24 months expected average life; share price of \$0.84; 102.67% expected volatility; risk free interest rate of 1.82%; and an expected dividend yield of 0%. Volatility is calculated based on the changes in historical stock prices over the expected life of the warrants.

On May 8, 2019, Galway purchased the 1% NSR royalty from Mistango River Resources for \$75,000. Original terms included a cash payment of \$700,000, plus a 1% NSR royalty on portions of three claims with a buyout option at any time for \$1 million.

**4. Property and Equipment**

<b>Cost</b>	<b>Land</b>	<b>Building</b>	<b>Vehicle</b>	<b>Total</b>
Balance, December 31, 2021	\$ 1,124,486	\$ 202,117	\$ 28,515	\$ 1,355,118
Additions	-	-	-	-
Balance, December 31, 2022	\$ 1,124,486	\$ 202,117	\$ 28,515	\$ 1,355,118
Additions	-	-	-	-
<b>Balance, September 30, 2023</b>	<b>\$ 1,124,486</b>	<b>\$ 202,117</b>	<b>\$ 28,515</b>	<b>\$ 1,355,118</b>
<b>Accumulated Depreciation</b>				
Balance, December 31, 2021	\$ -	\$ 10,207	\$ 5,002	\$ 15,209
Depreciation	-	7,684	4,703	12,387
Balance, December 31, 2021	\$ -	\$ 17,891	\$ 9,705	\$ 27,596
Depreciation	-	5,532	2,823	8,355
<b>Balance, September 30, 2023</b>	<b>\$ -</b>	<b>\$ 23,423</b>	<b>\$ 12,528</b>	<b>\$ 35,951</b>
<b>Carrying Value</b>				
At December 31, 2022	\$ 1,124,486	\$ 184,226	\$ 18,810	\$ 1,327,522
<b>At September 30, 2023</b>	<b>\$ 1,124,486</b>	<b>\$ 178,694</b>	<b>\$ 15,987</b>	<b>\$ 1,319,167</b>

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**5. Share Capital**

Authorized: Unlimited number of common shares  
Unlimited number of preferred shares issuable in series, the terms of which may be fixed by the Board of Directors before the issuance thereof

Common shares issued:

	<b>Number of Shares</b>	<b>Amount</b>
Balance, December 31, 2021	59,554,200	\$ 56,637,507
Shares issued on private placement	7,320,300	10,500,055
Costs of issue	-	(816,036)
Issuance of finders warrants	-	(251,145)
Shares issued for property	308,642	375,000
Flow-through share premium	-	(1,166,673)
<b>Balance, September 30, 2022</b>	<b>67,183,142</b>	<b>\$ 65,278,708</b>
Balance, December 31, 2022	67,183,142	\$ 65,283,191
Shares issued on private placement	6,666,700	4,000,000
Costs of issue	-	(326,461)
Issuance of finders warrants	-	(55,060)
Shares issued for property (Note 3(i))	1,056,338	364,437
Flow-through share premium	-	(600,003)
<b>Balance, September 30, 2023</b>	<b>74,906,180</b>	<b>\$ 68,666,104</b>

On April 27, 2023, the Company closed private placement financing for total proceeds of \$4,000,000, consisting of 6,666,700 common shares of the Company that qualify as "flow-through shares" (within the meaning of subsection 66(15) of the Income Tax Act (Canada))(the "FT Shares") at a price of \$0.60 per FT Share. Cash costs of issue amounted to \$326,461.

200,001 finders warrants were issued in conjunction with this private placement, with an exercise price of \$0.60 for two years from the date of issuance. The fair value of the finders warrants was estimated at \$55,060 using the Black-Scholes option pricing model at \$0.275 per warrant, based on the following assumptions: an exercise price of \$0.60, underlying share price of \$0.51 per share, expected annualized volatility of 109%; risk free interest rate of 3.73%; expected dividend yield of 0%; and expected life of 2 years.

**6. Stock Options**

The following table reflects the continuity of stock options for the nine months ended September 30, 2023 and 2022.

	<b>Number of Stock Options</b>	<b>Weighted Average Exercise Price</b>
<b>Balance, December 31, 2021 and September 30, 2022</b>	<b>5,040,000</b>	<b>\$1.57</b>
<b>Balance, December 31, 2022 and September 30, 2023</b>	<b>4,963,333</b>	<b>\$1.56</b>

**Galway Metals Inc.**  
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**6. Stock Options (Continued)**

The following table reflects the stock options outstanding as at September 30, 2023:

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Weighted Average Life Remaining</b>	<b>Options Outstanding</b>	<b>Black-Scholes Value</b>
December 4, 2023	\$ 0.30	0.18 years	1,086,667	\$ 416,216
September 21, 2026	\$ 1.53	2.98 years	401,667	594,781
April 24, 2027	\$ 0.84	3.57 years	128,333	99,215
November 16, 2027	\$ 1.05	4.13 years	273,333	225,165
June 13, 2028	\$ 0.69	4.70 years	166,667	104,550
October 10, 2028	\$ 0.48	5.03 years	83,333	36,275
November 5, 2028	\$ 0.525	5.10 years	266,667	126,880
August 21, 2029	\$ 0.990	5.89 years	170,000	190,008
September 27, 2029	\$ 0.990	6.01 years	40,000	33,948
May 21, 2030	\$ 1.260	6.64 years	433,333	492,570
January 21, 2030	\$ 0.960	6.31 years	383,333	308,775
January 27, 2030	\$ 0.900	6.33 years	133,333	132,185
February 18, 2030	\$ 0.990	6.39 years	83,333	77,400
November 12, 2030	\$ 3.660	7.12 years	273,333	1,024,275
November 16, 2030	\$ 3.840	7.13 years	858,333	3,151,800
February 2, 2031	\$ 3.480	7.35 years	50,000	162,540
March 30, 2031	\$ 2.820	7.50 years	6,667	17,794
June 2, 2031	\$ 2.970	7.67 years	100,000	262,271
September 30, 2031	\$ 1.860	8.00 years	25,000	42,228
	\$ 1.56	4.62 years	4,963,333	\$ 7,498,876

Of the 4,963,333 options outstanding as at September 30, 2023, all were exercisable.

**7. Warrants**

The following table reflects the continuity of warrants for the nine months ended September 30, 2023 and 2022:

	<b>Number of Warrants</b>	<b>Weighted Average Exercise Price</b>
Balance, December 31, 2021	727,865	\$ 1.89
Issued	439,218	\$ 1.275
Expired	(504,219)	\$ 1.32
<b>Balance, September 30, 2022</b>	<b>662,864</b>	<b>\$ 1.68</b>
Balance, December 31, 2022	662,864	\$ 1.91
Issued	200,001	\$ 0.60
Expired	(223,646)	\$ 3.15
<b>Balance, September 30, 2023</b>	<b>639,219</b>	<b>\$ 1.06</b>

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**7. Warrants (Continued)**

The following table reflects the warrants outstanding as at September 30, 2023:

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Weighted Average Life Remaining</b>	<b>Warrants Outstanding</b>	<b>Black-Scholes Value</b>
May 26, 2024	\$ 1.275	0.65 years	439,218	\$ 251,145
April 27, 2025	\$ 0.600	1.66 years	200,001	\$ 55,060
	\$ 1.060	0.97 years	639,219	\$ 306,205

**8. Administrative Expenses**

	<b>Three Months Ended September 30, 2023</b>		<b>Nine Months Ended September 30, 2023</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Salaries and benefits	\$ 108,442	\$ 220,670	\$ 685,689	\$ 640,113
Office and general	47,814	95,659	183,667	237,091
Public company costs	85,336	79,560	326,431	301,753
Insurance	37,321	66,834	124,184	155,173
Professional fees	74,568	156,706	328,759	412,723
Travel expense	59,085	30,693	130,416	69,448
	\$ 412,566	\$ 650,122	\$ 1,779,146	\$ 1,816,301

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**9. Exploration Expenditures**

**Estrades Project**

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Drilling	\$ -	\$ -	\$ 1,478	\$ 2,979,981
Survey	-	-	-	110,591
Geological	113,375	175,656	342,725	443,258
Assays	26,819	21,697	125,889	68,826
Camp Support	1,558	13,598	35,470	64,881
Field supplies	9,093	4,578	24,540	17,355
Transportation	9,929	14,522	35,988	36,812
Engineering	625	-	5,125	-
Travel	-	5,444	-	9,036
	<b>\$ 161,399</b>	<b>\$ 235,495</b>	<b>\$ 571,215</b>	<b>\$ 3,730,740</b>

**Clarence Stream Project**

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Geological	\$ 289,629	\$ 473,300	\$ 945,163	\$ 1,698,598
Drilling	313,888	492,979	360,141	2,539,160
Assays	119,638	613,892	592,526	1,600,306
Survey	6,905	46,632	51,129	46,632
Travel	49,815	47,350	155,553	182,395
Camp support	22,041	38,095	143,857	294,941
Transportation	29,387	22,201	66,647	122,829
Field supplies	264	29,730	41,119	70,922
Engineering	2,013	-	13,251	-
Grants	-	(2,200)	-	(2,200)
	<b>\$ 833,580</b>	<b>\$ 1,761,979</b>	<b>\$ 2,369,386</b>	<b>\$ 6,553,583</b>
<b>Total Exploration Expenses</b>	<b>\$ 994,979</b>	<b>\$ 1,997,474</b>	<b>\$ 2,940,601</b>	<b>\$ 10,284,323</b>

**10. Flow-through Premium Liability**

- (i) The Flow-Through Common Shares issued in the brokered private placement completed on May 26, 2022 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$1,166,673. The Company was committed to spend \$4,000,020 in eligible flow-through expenditures by December 31, 2023. As at September 30, 2023, the Company had achieved the required spend.
- (i) The Flow-Through Common Shares issued in the brokered private placement completed on April 27, 2023 were issued at a premium to the market price in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$600,003. As at September 30, 2023 the Company was committed to spend \$4,000,000 in eligible flow-through expenditures by December 31, 2024.

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**11. Related Party Transactions**

Remuneration of directors and officers included in administrative expenses are as follows:

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30,</b>		<b>September 30,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
Remuneration paid for CEO and CFO services	\$ 71,790	\$ 69,915	\$ 282,945	\$ 237,990
Management fees paid to two directors	\$ 21,190	\$ 148,185	\$ 169,936	\$ 369,170

During the three and nine months ended September 30, 2023, the Company expensed \$11,089 and \$77,722 (three and nine months ended September 30, 2022 - \$23,146 and \$72,336) to Marrelli Support Services Inc. ("Marrelli Support") and DSA Corporate Services Inc. ("DSA"), together known as the "Marrelli Group" for:

- (i) Robert D.B. Suttie, President of Marrelli Support, to act as Chief Financial Officer ("CFO") of the Company;
- (ii) Bookkeeping and office support services;
- (iii) Regulatory filing services
- (iv) Corporate secretarial services

The Marrelli Group is also reimbursed for out of pocket expenses.

As of September 30, 2023, the Marrelli Group was owed \$6,721 (December 31, 2022 - \$13,190). These amounts are included in accounts payable and accrued liabilities.

During the three and nine months ended September 30, 2023, the Company incurred \$21,190 and \$169,936, respectively (three and nine months ended September 30, 2022 - \$148,185 and \$369,170, respectively) pertaining to consulting services provided by two directors. As at September 30, 2023, \$45,000 (December 31, 2022 - \$45,000) was included in accounts payable and accrued liabilities pertaining to these fees and ancillary expense reimbursements.

**12. Note Payable**

On June 18, 2021, the Company entered into an interest free \$300,000 promissory note in conjunction with an agreement to acquire certain surface rights for its Clarence Stream Project. The Company is obligated to pay \$75,000 on each of the four successive anniversary dates of the agreement. In June 2022 and 2023, the first two payments were made under the terms of the agreement. The carrying value of the note has been discounted at an equivalent interest rate of 8%, representing the approximate market rate of a similar debt instrument, and subject to accretion over the life of the debt. The note is secured by a collateral mortgage made by the Company in favour of the lender, with the surface rights serving as collateral. As at September 30, 2023, the present value of the note was \$137,610 (December 31, 2022 - \$201,014), of which \$70,755 (December 31, 2022 - \$69,444) was payable within the next twelve months.