



Condensed Interim Consolidated Financial Statements of

## **WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.**

For the three and six months ended June 30, 2024 and 2023(Unaudited)

## **NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim consolidated financial statements have been prepared by and are the responsibility of management.

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

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Financial Position  
Stated in Canadian dollars

	As at	
	June 30, 2024	December 31, 2023
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	28,644	168,544
Accounts receivable	31,069	515
Prepaid expenses	61,152	79,411
	<b>120,865</b>	<b>248,470</b>
Restricted deposits (Note 3)	68,568	68,568
Property and equipment (Note 4)	23,990	28,501
Exploration and evaluation assets (Note 5)	1,508,364	1,508,364
<b>Total Assets</b>	<b>1,721,787</b>	<b>1,853,903</b>
<b>Liabilities</b>		
Current Liabilities:		
Accounts payable and accrued liabilities	2,017,640	1,961,813
Flow-through premium liabilities	113,604	113,604
Due to related parties (Note 8)	5,129,952	3,963,631
<b>Total Liabilities</b>	<b>7,261,196</b>	<b>6,039,048</b>
<b>Shareholders' Deficiency</b>		
Common shares (Note 7(b))	21,291,314	20,509,460
Warrants (Note 7(c))	2,200,492	1,998,346
Contributed surplus	9,048,918	9,427,339
Deficit	(38,073,265)	(36,113,455)
Deficiency attributable to equity holders	(5,532,541)	(4,178,310)
Non-controlling interest	(6,868)	(6,835)
<b>Total Shareholders' Deficiency</b>	<b>(5,539,409)</b>	<b>(4,185,145)</b>
<b>Total Liabilities and Shareholders' Deficiency</b>	<b>1,721,787</b>	<b>1,853,903</b>

Going concern (Note 1)

Subsequent events (Note 16)

Approved on behalf of the Board of Directors

Frank Marasco Jr., CEO and Director

Barry Baim, Corporate Secretary and Director

See accompanying notes to the consolidated financial statements.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss  
Stated in Canadian dollars

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>Expenses</b>				
Head office expense	<b>\$402,222</b>	\$385,481	<b>\$707,511</b>	\$660,526
Exploration expense (Note 6)	<b>305,490</b>	429,529	<b>456,364</b>	612,429
Interest and bank charges (Note 9)	<b>101,646</b>	54,201	<b>168,029</b>	108,293
Accretion (Note 9)	<b>224,374</b>	-	<b>365,416</b>	-
Stock based compensation (Note 7(d))	-	-	<b>255,512</b>	494,845
Depreciation and amortization (Note 4)	<b>2,291</b>	5,445	<b>7,011</b>	10,856
	<b>\$1,036,023</b>	\$874,656	<b>\$1,959,843</b>	\$1,886,949
Net loss before income taxes	<b>\$(1,036,023)</b>	\$(874,656)	<b>\$(1,959,843)</b>	\$(1,886,949)
<b>Net loss attributable to:</b>				
Equity holders of the Company	<b>(1,036,014)</b>	(874,557)	<b>(1,959,810)</b>	(1,886,841)
Non-controlling interest	<b>(9)</b>	(99)	<b>(33)</b>	(108)
	<b>(1,036,023)</b>	(874,656)	<b>(1,59,843)</b>	(1,886,949)
<b>Loss per common shares</b>				
Basic and diluted	<b>\$(0.01)</b>	\$(0.01)	<b>\$(0.02)</b>	\$(0.02)
<b>Weighted average number of shares outstanding</b>				
Basic and diluted	<b>92,905,269</b>	84,653,618	<b>91,388,907</b>	84,599,921

See accompanying notes to the consolidated financial statements.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Shareholders' Deficit  
Stated in Canadian dollars

	Three months ended	
	June 30, 2024	June 30, 2023
<b>Common shares (Note 7(b))</b>		
Balance, beginning of year	20,509,460	19,894,401
Private placement	781,854	402,837
Share issue costs	-	(4,215)
<b>Balance, end of year</b>	<b>21,291,314</b>	<b>20,293,023</b>
<b>Warrants (Note 7(c))</b>		
Balance, beginning of year	1,998,346	1,542,232
Issued on private placement	202,146	154,165
Warrants expired unexercised	-	(411,745)
<b>Balance, end of year</b>	<b>2,200,492</b>	<b>1,284,652</b>
<b>Contributed surplus</b>		
Balance, beginning of year	9,427,339	8,537,996
Extinguishment of loan	(633,933)	-
Transfer of expired warrants	-	411,745
Stock based compensation	255,512	494,845
<b>Balance, end of year</b>	<b>9,048,918</b>	<b>9,444,586</b>
<b>Deficit</b>		
Balance, beginning of year	(36,113,455)	(32,977,482)
Net loss	(1,959,810)	(1,886,841)
<b>Balance, end of year</b>	<b>(38,073,265)</b>	<b>(34,864,323)</b>
<b>Total Shareholder's deficiency</b>	<b>(5,532,541)</b>	<b>(3,842,062)</b>

See accompanying notes to the consolidated financial statements.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Cash Flow  
Stated in Canadian Dollars

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>Cash Flow From (Used in) Operating Activities</b>				
Net loss	<b>\$(1,036,023)</b>	\$(874,656)	<b>\$(1,959,843)</b>	\$(1,886,949)
Add (deduct) non-cash items:				
Interest accrued - related party (Note 9)	<b>100,904</b>	53,793	<b>166,972</b>	107,586
Stock based compensation (Note 7 (d))	-	-	<b>255,512</b>	494,845
Accretion	<b>224,374</b>	-	<b>365,416</b>	-
Depreciation and amortization (Note 4)	<b>2,291</b>	5,445	<b>7,011</b>	10,856
	<b>(708,454)</b>	(815,418)	<b>(1,164,934)</b>	(1,273,662)
Net change in non-cash working capital (Note 15)	<b>39,104</b>	103,023	<b>43,531</b>	(26,176)
	<b>\$(669,350)</b>	\$(712,395)	<b>\$(1,121,401)</b>	\$(1,299,838)
<b>Cash Flow From Financing Activities</b>				
Issue of shares and warrants (Note 7)	<b>455,500</b>	360,000	<b>984,000</b>	557,002
Share issue costs	-	(4,215)	-	(4,215)
Payment of lease liabilities (Note 10)	-	(2,337)	-	(4,628)
	<b>455,500</b>	353,448	<b>984,000</b>	548,159
<b>Cash Flow (Used in) Investing Activities</b>				
Purchase of equipment and software	-	-	<b>(2,499)</b>	-
	-	-	<b>(2,499)</b>	-
Decrease in cash and cash equivalents	<b>\$(213,850)</b>	\$(358,947)	<b>\$(139,900)</b>	\$(751,679)
<b>Cash and cash equivalents, beginning of period</b>	<b>242,494</b>	653,493	<b>168,544</b>	1,046,225
<b>Cash and cash equivalents, end of period</b>	<b>\$28,644</b>	\$294,546	<b>\$28,644</b>	\$294,546
<b>Interest paid</b>	<b>\$742</b>	\$408	<b>\$1,057</b>	\$707

See accompanying notes to the consolidated financial statements.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
For the three and six months ended June 30, 2024 and June 30, 2023

## 1. Nature of operations and going concern

West High Yield (W.H.Y.) Resources Ltd. (the “**Company**”) was incorporated on August 29, 2003 under the laws of the Province of Alberta and its principal business activities are the acquisition, exploration and development of mineral properties in British Columbia, Canada. The Company’s shares trade on the TSX Venture Exchange under the trading symbol WHY. The Company’s registered head office is P.O. Box 68121, Calgary, AB, T3G 3N8.

These condensed interim consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The ability of the Company to continue as a going concern is dependent on continued forbearance of the amounts due to related parties and the Company’s ability to obtain financing to continue exploration and development of the mineral property. There is no certainty that the Company will be able to obtain the financing required to continue exploration and development activities or of the ongoing forbearance of related parties and other creditors. In addition, there is no certainty that the mineral property will contain economically recoverable reserves. For the six months ended June 30, 2024, the Company had incurred a net loss of \$1,959,843 and used cash in operations of \$1,121,401. As at June 30, 2024, the Company had a working capital deficiency of \$7,140,332. These conditions create a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

The condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying amount and classification of assets and liabilities and the amount of reported expenses. Such adjustments could be material.

## 2. Material accounting policies

### (a) Basis of presentation and measurement

#### **Statement of compliance:**

These condensed interim consolidated financial statements have been prepared in accordance with statement IAS 34-Interim Financial Reporting of the IFRS Accounting Standards. The financial statements were prepared using the same accounting policies, critical judgements and key estimates which the Company applied in its annual financial statements for the year ended December 31, 2023 and do not include certain disclosures that are normally required to be included in annual financial statements which have been condensed or omitted. Accordingly, these financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2023.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on August 23, 2024.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
For the three and six months ended June 30, 2024 and June 30, 2023

## Basis of measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis except for certain equity instruments measured at fair value.

These condensed interim consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiary.

## (b) Use of judgments and estimates

The timely preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenue, and expenses. As such, actual results may differ from these estimates as future confirming events occur. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

## 3. Restricted deposits

As at March 31, 2024, the Company has \$68,568 (2023 - \$68,568) in deposits in restricted accounts as required by the British Columbia Ministry of Mining.

## 4. Property and equipment

<b>June 30, 2024</b>	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Net book value</b>
Buildings	29,692	29,692	-
Office equipment	87,912	87,193	719
Automotive equipment	181,434	158,163	23,271
Field equipment	82,449	82,449	-
Right of use asset	66,152	66,152	-
	<b>447,639</b>	<b>423,649</b>	<b>22,990</b>

  

<b>December 31, 2023</b>	<b>Cost</b>	<b>Accumulated amortization</b>	<b>Net book value</b>
Buildings	29,692	29,692	-
Office equipment	85,412	84,712	700
Automotive equipment	181,434	153,633	27,801
Field equipment	82,449	82,449	-
Right of use asset	66,152	66,152	-
	<b>445,139</b>	<b>416,638</b>	<b>28,501</b>

## 5. Exploration and evaluation assets

The exploration and evaluation assets consist of eight crown granted mineral claims, three modified grid claims and six staked claims in the Rossland Mining Camp located in the Trail Creek Mining district in southeastern British Columbia, Canada.



# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
For the three and six months ended June 30, 2024 and June 30, 2023

There were no impairment indicators for the exploration and evaluation assets as of June 30, 2024 or December 31, 2023.

On October 1, 2023, the Company entered into a lease agreement (the “**Lease**”) with Big Mountain Development Corp. Ltd. (“**Big Mountain**”), a related party by nature of being a significant shareholder of the Company, whereby the Company agreed to lease lands from Big Mountain located in Rossland, British Columbia that are adjacent to its Record Ridge magnesium deposit/claims and Midnight gold claim for the purposes of asset storage and a staging location for its Record Ridge magnesium deposit/claims. The Lease is for a term of five (5) years, with an option to renew said lease term for an additional five (5) years after the expiration of the initial term. The rent payable by the Company to Big Mountain under the Lease is CAD\$65,000 per annum. The Company shall, during the initial term and any renewal term, have the option to purchase from Big Mountain the lands it is leasing under the Lease for the purchase price of CAD\$745,000 (if such option is exercised in the first year of the initial term) and the purchase price shall increase by fifteen (15%) percent for every year after the first (1st) year of the initial term and any renewal term, should the option to purchase not be exercised by the Company during the first (1st) year of the initial term.

## 6. Exploration and evaluation costs

Exploration costs expensed by the Company on its mineral property are as follows:

	Three months ended		Six months ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
Consulting and labour	\$267,818	\$229,132	\$389,386	\$345,823
Legal	21,694	46,497	21,694	46,839
Assay	-	61,441	-	65,841
Drilling	590	5,395	590	5,395
Permitting	-	50,000	-	50,000
Reporting	8,150	1,350	35,400	1,350
Field equipment and supplies	1,187	4,655	1,187	4,655
Miscellaneous field costs	970	415	970	2,637
Environmental	-	(36,000)	-	-
Project management	513	3,500	513	3,500
Accommodation and meals	923	6,940	923	6,940
Travel and transportation	-	-	-	-
GIC and data management	-	5,173	-	5,173
Core logging-	-	41,875	-	41,875
Freight and equipment transport	-	2,833	602	3,541
Geology and mapping	-	2,499	-	25,036
Utilities	-	-	1,454	-
Property and mineral taxes	3,645	3,824	3,645	3,824
<b>Total:</b>	<b>\$305,490</b>	<b>\$429,529</b>	<b>\$456,364</b>	<b>\$612,429</b>

During the six months ended June 30, 2024, the Company continued to work on the environmental study, stakeholder engagement, and mine plan development as required by the Environmental Assessment Certification and permit processes set out by the British Columbia Ministry of Mines.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
For the three and six months ended June 30, 2024 and June 30, 2023

During the year ended December 31, 2022, the Company completed a brokered flow-through private placement offering (the “**2022 FT Private Placement**”) for gross proceeds of \$785,000. The terms underlying the 2022 FT Private Placement require the Company to incur \$785,000 of qualifying Canadian exploration expenses (the “**CEEs**”) and Canadian Development Expenses (“**CDEs**”) and to renounce the CEEs and CDEs to the Company’s shareholders who subscribed for securities under the 2022 FT Private Placement, on or before December 31, 2024.

The Company has commitments to spend \$686,638 in CDEs in 2024.

## 7. Equity instruments

### (a) Share capital:

The Company’s authorized share capital consists of an unlimited number of common shares without par value.

### (b) Common shares issued and outstanding:

The continuity of the Company’s issued common share capital is as follows:

	Number of Shares	Amount
<i>Balance as at December 31, 2022</i>	83,952,521	19,894,401
Share issue costs	-	(7,653)
Warrants exercised	-	-
Private placements ((ii)-(ix))	5,525,100	622,712
<i>Balance as at December 31, 2023</i>	89,477,621	20,509,460
Private placements ((i))	3,936,000	781,854
<b>Balance as at June 30, 2024</b>	<b>93,413,621</b>	<b>21,291,314</b>

### Notes:

- i. On January 18, 2023, the Company completed a second tranche closing of a concurrent brokered private placement offering (the “**Concurrent Offerings**”) by issuing 309,530 ordinary units (the “**Ordinary Units**”) at a price of \$0.42 per Ordinary Unit for total gross proceeds of \$130,003. Each Ordinary Unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.70 per share for 24 months from the date of closing.
- ii. On January 26, 2023, the Company completed the final tranche closing of the Concurrent Offerings by issuing 159,523 Ordinary Units at a price of \$0.42 per Ordinary Unit for total gross proceeds of \$67,000. Each Ordinary Unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.70 per share for 24 months from the date of closing.
- iii. On February 3, 2023, the Company’s board of directors approved and authorized a grant of 1,748,000 stock options to various directors and consultants of the Company. All options are vested on their date of grant. One option entitles the holder thereof to purchase one common share at a price of \$0.45 per share for a period of five (5) years from the Option grant date.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
For the three and six months ended June 30, 2024 and June 30, 2023

- iv. On May 19, 2023, the Company completed a sixth tranche closing (the “**Sixth Tranche Closing**”) of up to CAD\$12,000,000 with Alumina Partners (Ontario) Ltd. (“**Alumina**”), totaling 1,000,000 units issued to Alumina at a price of \$0.36 per unit for total gross proceeds of \$360,000. Each unit issued to Alumina under the Sixth Tranche Closing consisted of one common share and one common share purchase warrant exercisable into one additional common share at a price of \$0.5625 per share for 36 months from the date of the Sixth Tranche Closing.
- v. On September 13, 2023, the Company authorized a private placement offering of units (the “**New Offering**”). The offering of units was set at a price of CAD\$0.30 per unit for a maximum raise of proceeds of up to CAD\$900,000. Each unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per share for 24 months from each closing date under the offering. On September 26, 2023, the Company repriced the units being offered under the New Offering to a price of CAD\$0.23 per unit, and all of the other terms of the New Offering remained the same. The Company received CAD\$123,005 in trust from subscribers prior to September 30, 2023 in connection with the New Offering, but did not complete its initial tranche closing or realize on said funds until October 12, 2023.
- vi. On October 12, 2023, the Company completed a first tranche closing of the New Offering by issuing 2,259,152 units at a price of \$0.23 per unit for total gross proceeds of \$519,605.04. Each unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per share for 24 months from the date of closing.
- vii. On November 2, 2023, the Company completed a second tranche closing of the New Offering by issuing 1,277,956 units at a price of \$0.23 per unit for total gross proceeds of \$293,929.88. Each unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per share for 24 months from the date of closing.
- viii. On November 29, 2023, the Company completed its final tranche closing of the New Offering by issuing 518,939 units at a price of \$0.23 per Ordinary Unit for total gross proceeds of \$119,356. Each unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per share for 24 months from the date of closing. The Company paid a finder’s fee of CAD\$2,760 and issued 12,000 finder’s warrants to one finder in respect of the New Offering.
- ix. On March 14, 2024, the Company completed its first tranche closing of a non-brokered private placement offering of units (the “**2024 Offering**”) by issuing 2,114,000 units at a price of \$0.25 per unit for total gross proceeds of \$528,500. Each unit issued under the first tranche closing consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per common share until March 14, 2025.
- x. On April 18, 2024, the Company completed its second tranche closing of the 2024 Offering by issuing 1,210,000 units at a price of \$0.25 per unit for total gross proceeds of \$302,500. Each unit issued under the second tranche closing consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per common share until April 18, 2025.
- xi. On May 10, 2024, the Company completed its final tranche closing of the 2024 Offering by issuing 612,000 units at a price of \$0.25 per unit for total gross proceeds of \$153,000. Each unit issued under the final tranche closing consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of \$0.35 per common share until May 10, 2025.

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
For the three and six months ended June 30, 2024 and June 30, 2023

## (c) Warrants

The number of warrants in the table below have been adjusted to reflect the number of shares that would be issued upon exercise of the warrant based on the conversion factor.

	Number of Warrants	Amount
<b>Balance at December 31, 2022</b>	<b>7,158,352</b>	<b>1,542,232</b>
Private Placement	5,537,101	867,859
Warrants expired unexercised	(1,666,634)	(411,745)
<b>Balance at December 31, 2023</b>	<b>11,028,819</b>	<b>1,998,346</b>
Private Placement	3,936,000	202,146
<b>Balance at June 30, 2024</b>	<b>14,964,819</b>	<b>2,200,492</b>

The value assigned to the warrants included in the unit offerings is based on the Black-Scholes options Pricing model using the following assumptions:

	2024	2023
Risk free rate	4.25%-4.37%	3.67%-4.85%
Share price	\$0.18-\$0.23	\$0.16-\$0.33
Expected life	1 Year	2-3 years
Volatility	66%-72%	90%- 258%

## (d) Stock Options:

The Company has a stock option plan (the "Plan") for its officers, directors, employees and consultants. The maximum number of common shares issuable under the Plan cannot exceed 10% of the Company's issued and outstanding common shares. Under the Plan, all options expire no later than five years from the grant date and vest immediately upon the grant.

The following table summarizes the status of the options issued pursuant to the plan.

Stock Options		Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
Balance, December 31, 2022	6,607,000	0.30	1.82
Options granted, Feb. 23 , 2023	1,748,000	0.45	4.10
Options granted, Nov.27, 2023	375,000	0.23	4.91
Balance, December 31, 2023	8,730,000	\$ 0.30	1.82
Options expired, March 25, 2024	(1,150,000)	0.35	
Options granted, Mar. 25, 2024	1,578,000	0.23	9.74
<b>Balance, June 30, 2024</b>	<b>9,158,000</b>	<b>\$ 0.32</b>	<b>3.21</b>
<b>Exercisable options as at June 30, 2024</b>	<b>8,668,000</b>	<b>\$ 0.32</b>	<b>3.21</b>

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
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The fair value of the stock options granted was calculated at the grant date using the Black-Scholes option pricing model using the following assumptions:

	2024	2023
Risk free rate	3.43%	3.29%
Share price	\$0.17	\$0.17- \$0.30
Expected life	10 Years	5 years
Volatility	125%	173%- 175%

The range of exercise prices for stock options outstanding and exercisable under the plan at June 30, 2024 is as follows:

Exercise Price	Awards Outstanding and Exercisable	Remaining contractual life (years)	Weighted Average Exercise Price(\$)
\$0.12-\$0.35	6,603,000	3.27	0.21
\$0.43-\$0.45	1,828,000	3.36	0.45
\$1.05	727,000	2.39	1.05
	9,158,000	3.01	0.33

## (e) Loss per share

Basic per share amounts are calculated using the weighted average number of shares outstanding during the period ended June 30, 2024 of \$0.02 (2023 – \$0.02). The calculation of diluted loss per share equals basic loss per share as the effect of outstanding options are anti-dilutive.

## 9. Related party transactions

The Company has received loans from Big Mountain as detailed in the table below. The loans received from Big Mountain are due on demand and secured by promissory notes and a general security agreement over all the assets of the Company.

	Six Months Ended	
	June 30, 2024	December 31, 2023
<b>Big Mountain loan:</b>		
Loan due December 31, 2023 (bears interest at 8%)	1,700,000	1,700,000
Advance on loan (8%)	65,788	65,788
Advance on loan (10%)	750,000	750,000
Accrued interest	1,447,843	1,447,843
Debt Extinguishment	(3,963,631)	-
Issuance of Loan 1 (8%)	3,239,466	-
Issuance of Loan 2 (10%)	1,358,098	-
Accretion	365,417	-
Accrued interest	166,972	-
	<b>5,129,952</b>	<b>3,963,631</b>

# WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Notes to the Condensed Interim Consolidated Financial Statements  
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On January 31, 2024, the terms of the loans were amended to extend the maturity date of the loans to December 31, 2024. This amendment was treated as an extinguishment and reissuance of a new promissory note. The extinguishment of debt gave rise to the loss on extinguishment for \$633,934, which was recorded under equity pursuant to *IAS 1 Presentation of Financial Statements* as the transaction is with the related party. The debt component was calculated using the discount rate of 12.75%.

Interest on related party loans is as follows:

	Three months ended		Six Months Ended	
	June 30, 2024	June 30, 2023	June 30, 2024	June 30, 2023
<b>Interest</b>	<b>\$100,904</b>	\$54,201	<b>\$166,972</b>	\$108,293

Transactions with related parties are incurred in the normal course of operations and initially recorded at fair value.

## 10. Lease liability

	June 30, 2024	December 31, 2023
<b>Balance, beginning of year</b>	-	6,212
Lease interest expense	-	188
Lease payments	-	(6,400)
<b>Balance, end of year</b>	-	-

## 13. Financial risk exposure, risk management and financial instruments

### (a) Fair value:

Financial instruments of the Company consist primarily of cash and cash equivalents, accounts receivable, restricted deposits, accounts payable and accrued liabilities, and due to related party. As at June 30, 2024, there were no significant differences between the carrying amounts reported on the consolidated statement of financial position and their estimated fair values as the amounts are short term in nature, or bear interest at market rates.

### (b) Liquidity risk:

Cash forecasts are done to match spending on general and administration costs and exploration costs to available cash resources. Spending is increased or decreased to match available funds. Alternatively, the Company seeks capital through the offering of common shares or loans from related parties to fund general and administrative costs and exploration activities. As discussed in note 1, the Company will have to raise additional capital through the issue of shares or other means to discharge its current liabilities and the amount due to the related party or seek forbearance of the related party and other creditors.

### (c) Interest Rate Risk:

Related party loans are at fixed rates therefore the Company is not exposed to interest rate fluctuations thereon except if the loans are refinanced at maturity versus settled.

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(d) Credit risk:

Cash and cash equivalents are held with one bank. Accounts receivable is comprised predominantly of goods and services taxes input tax credits refundable therefore the Company's credit exposure is not significant.

(e) Commodity price risk:

The Company is not currently exposed to commodity price risk, as the Company is in the pre-production phase. The overall development of the Company's properties is exposed to mineral price risks as a significant decrease in relevant prices would affect the economic returns of the mineral property.

## 14. Capital disclosures

The Company's capital historically has been derived from the issuance of equity and more recently from advances from a related party. Management monitors its financial position on an ongoing basis. Equity is issued or debt from related parties is obtained to finance drilling programs and Company's operations. Significant capital will be required for full development of commercial mining production if the properties are proven to be economic.

## 15. Supplemental cash flow information

	Six months ended	
	June 30, 2024	June 30, 2023
Accounts receivable	(30,554)	(53,116)
Prepaid expenses	18,260	(20,600)
Accounts payable and accrued liabilities	55,825	47,540
<b>Net change in non-cash working capital</b>	<b>43,531</b>	<b>(26,176)</b>

## 16. Subsequent event

On August 9, 2024 the Company completed the only tranche closing of a new non-brokered private placement offering of units by issuing 435,076 units at a price of \$0.33 per unit for total gross proceeds of \$143,575. Each unit issued consisted of one common share and one half (1/2) of share purchase warrant exercisable into one additional common share at a price of \$0.45 per common share for eighteen months from the date of the closing.