Core Nickel Corp.

Condensed Interim Financial Statements
For the three and nine months ended January 31, 2024
(Unaudited)
(Expressed in Canadian dollars, except where indicated)

Core Nickel Corp.

Condensed Interim Statements of Financial Position

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	January 31 2024 $	April 30 2023 $
Assets		
Current assets		
Cash and cash equivalents (note 4)	1,267,701	-
Receivables	7,626	-
Prepaid and deposits	25,607	-
Due from parent	-	0.01
Total current assets	1,300,934	0.01
Non-current assets		
Mineral property interests (note 5)	1,135,644	-
Total assets	2,436,578	0.01
Liabilities		
Current liabilities		
Trade and other payables	51,897	-
Equity		
Common shares (note 6)	2,440,621	0.01
Equity reserve	89,895	-
Accumulated deficit	(145,835)	-
	2,384,681	0.01
	2,436,578	0.01

Subsequent Events (note 11)

Approved by the Board of Directors

"Cory Belyk" ___________________ Director

"Karen Lloyd" ___________________ Director

Core Nickel Corp.

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Three months ended January 31 2024	Three months ended January 31 2023	Nine months ended January 31 2024	Nine months ended January 31 2023
	$	$	$	$
EXPLORATION COSTS				
Mineral property expenditures	28,266	-	28,266	-
	28,266	-	28,266	-
OTHER EXPENSES (INCOME)				
Insurance	5,573	-	5,573	-
Interest income	(2,725)	-	(2,725)	-
Legal, audit and accounting	30,257		30,257	
Management fees	35,662		35,662	
Office and miscellaneous	3,111		3,111	
Regulatory and transfer agent fees	14,536	-	14,536	-
Rent	2,780	-	2,780	-
Investor relations and presentations	25,951	-	25,951	-
Travel and accommodations	1,393	-	1,393	-
Wages and benefits	1,031	-	1,031	-
	117,569	-	117,569	-
Loss and comprehensive loss for the period	(145,835)	-	(145,835)	-
Basic and diluted loss per share ($ per share)	(0.01)	-	(0.02)	-
Basic and diluted weighted average common shares outstanding	24,263,649	1	8,087,884	1

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

Core Nickel Corp.

Condensed Interim Statements of Changes in Equity
For the three and nine months ended January 31, 2024 and 2023
(Unaudited)
(Expressed in Canadian dollars except where indicated)

	Common Shares		Equity	Accumulated	Total
	Shares	Amount	Reserve	Deficit	Equity
		$	$	$	$
Balance-May 5, 2022	**1**	**0.01**	**-**	**-**	**0.01**
Balance-January 31, 2023	**1**	**0.01**	**-**	**-**	**0.01**
Balance - April 30, 2023	**1**	**0.01**	**-**	**-**	**0.01**
Issued pursuant to plan of arrangement (note 10)	24,997,481	2,135,644	-	-	2,135,644
Issued on private placement for cash	4,354,400	391,896	-	-	391,896
Warrants issued on private placement	-	(75,990)	75,990	-	-
Share issuance costs	-	(33,315)	13,905	-	(19,410)
Issued on exercise of options	447,704	22,385	-	-	22,385
Loss for the period	-	-	-	(145,835)	(145,835)
Balance-January 31, 2024	**29,799,586**	**2,440,621**	**89,895**	**(145,835)**	**2,384,681**

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

Core Nickel Corp.

Condensed Interim Statements of Cash Flows

(Unaudited)

(Expressed in Canadian dollars except where indicated)

	Nine months ended January 31 2024	Nine months ended January 31 2023
	$	$
Cash flows used in operating activities		
Loss for the period	(145,835)	-
Change in non-cash operating working capital		
(Increase) in receivables	(25,607)	-
(Increase) in prepaid and deposits	(7,626)	-
Increase in trade and other payables	51,898	-
	(127,170)	-
Cash flows from financing activities		
Issuance of common shares (net of share issuance costs)	372,487	-
Cash received as per plan of arrangement (note 10)	1,000,000	-
Proceeds on exercise of stock options	22,385	-
	1,394,872	-
Increase in cash and cash equivalents	1,267,701	-
Cash and cash equivalents - beginning of period (note 4)	-	-
Cash and cash equivalents - end of period (note 4)	1,267,701	-

1 Nature of Operations

Core Nickel Corp. (the "Company") was incorporated on May 5 2022, under the laws of Canada Business Corporation Act as part of a plan of arrangement (the "Arrangement") to reorganize CanAlaska Uranium Ltd. ("CanAlaska"). The Company's intended business activity is the acquisition and exploration of exploration and evaluation properties in Canada. The Company's shares trade on the Canadian Securities Exchange under the symbol "CNCO". The Company's head office is located at unit 204, 75 – 24th Street East, Saskatoon, Saskatchewan, S7K 0K3, Canada.

2 Going Concern

These condensed interim 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. These financial statements do not include any adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classification that would be necessary should the Company be unable to continue as a going concern. These adjustments could be material.

The recoverability of the amounts shown for mineral properties and related deferred costs is dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the development, and upon future profitable production or proceeds from disposition of the mineral properties. There is no assurance that the Company will be successful in raising additional financing. The amounts shown as mineral property costs represent acquisition costs incurred to date, net of recoveries.

Given that the Company does not generate recurring revenues from operations and other factors as noted, a material uncertainty exists which may cast significant doubt regarding the Company's ability to continue as a going concern. Management believes that the cash on hand is sufficient to meet corporate, administrative and selected exploration activities for at least the next twelve months. At January 31, 2024, the Company had cash and cash equivalents of $1.3 million (April 30, 2023: $nil) (note 4) and working capital of $1.2 million (April 30, 2023: $nil). The Company has a deficit of $145,835 at January 31, 2024. Management may either need to dilute its ownership in its properties or secure additional financing to continue to advance the development of its exploration projects.

3 Summary of Material Accounting Policies

a) Statement of Compliance

These condensed interim financial statements of the Company, including comparatives, have been prepared in accordance with International Financial Reporting Standards 34 Interim Financial Reporting ("IAS 34") using the accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Boards ("IASB").

These condensed interim financial statements were authorized for issuance by the Board of Directors of the Company on March 26, 2024.

b) Basis of preparation

These condensed interim financial statements are presented in Canadian dollars and is the functional currency of the Company. The financial statements are prepared on the historical cost basis.

c) Share-based payments

The Company operates an equity-settled, share-based compensation plan, under which the entity receives services from employees and non-employees as consideration for equity instruments (options) of the Company. The Company also issues warrants as consideration for services received. The total amount to be expensed is determined by reference to the fair value of the services received and if not determinable, the fair value of options and warrants granted.

The fair value of share-based compensation is determined using the Black-Scholes option-pricing model and management's assumptions as disclosed in note 7. When a stock option is exercised, the Company recognizes an increase in its share capital equivalent to the consideration paid by the option holder and the fair value amount previously recognized in equity reserve. The fair value of any stock options granted to directors, officers and employees of the Company is recorded as an expense over the vesting period with a corresponding increase in equity reserve.

3 Summary of Material Accounting Policies (continued)

d) Mineral property interests and mineral exploration expenditures

Mineral property interests

Mineral properties are exploration and evaluation assets that consist of payments to acquire mineral exploration rights, licenses and mining permits. Acquisition costs are capitalized and deferred until such a time as the mineral property is put into production, sold or abandoned, or impaired.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the mineral properties are transferred to mine under development. When a property is placed into commercial production, capitalized costs will be depleted using the units-of-production method.

The carrying values of capitalized amounts are reviewed when indicators of impairment are present. Recorded amounts of mineral properties are not intended to reflect present or future values of the properties. The recorded costs are subject to measurement uncertainty and it is reasonably possible, based on existing knowledge, that change in future conditions could require a material change in the recognized amount.

Option payments made by an interested acquirer are recorded as a reduction of the value of the asset, with any excess over the carrying value of the asset recorded into income.

Exploration expenditures

Exploration and evaluation expenditure, including but not limited to geological and geophysical evaluation, surveying, exploratory drilling and sampling, and evaluating the technical feasibility of extracting a mineral resource, is expensed as incurred until the property reaches the development stage.

The development stage is considered to begin once the technical feasibility and commercial viability of the extraction of mineral property in an area of interest are demonstrable. Development expenditures incurred subsequent to a development decision, and to increase or to extend the life of existing production, are capitalized and will be amortized on the unit-of-production method based upon estimated proven and probable reserves.

The Company accounts for all proceeds received for option or farm-out arrangements or recovery of costs against the exploration expenditures.

3 Summary of Material Accounting Policies (continued)

e) Impairment of non-financial assets

At each reporting date, the carrying amounts of the Company's non-financial assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For the purposes of impairment testing, exploration and evaluation assets are allocated to cash-generating units to which the exploration activity relates, generally by mineral property interests. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. For exploration and evaluation assets, indication of impairment includes but is not limited to expiration of the rights to explore, substantive expenditure in the specific area is neither budgeted or planned, and if the entity has decided to discontinue exploration activity in the specified area.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

Management considers both external and internal sources of information in assessing whether there are any indications that the Company's non-financial assets are impaired. External sources of information management considers include changes in market, economic and legal environment in which the Company operates that are not within its control and affect the recoverable amount of its non-financial assets. Internal sources of information management consider include the manner in which non-financial assets are being used or are expected to be used and indications of economic performance of the assets.

3 Summary of Material Accounting Policies (continued)

f) Financial assets and liabilities

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) FVTPL. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Cash and cash equivalents are measured at amortized cost with subsequent impairments recognized in the statements of loss and comprehensive loss. Equity investments are measured at FVOCI with subsequent changes recognized in OCI.

Financial liabilities are designated as either: (i) FVTPL; or (ii) amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Trade and other payables are classified as amortized cost and carried on the statement of financial position at amortized cost.

Financial instruments recorded at fair value on a recurring basis on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

g) Cash and cash equivalents

Cash and cash equivalents consist of cash deposits in banks, bankers' acceptances and certificates of deposits (note 4) and are readily convertible into a known amount of cash with an original maturity of three months or less.

3 Material Accounting Policies (continued)

h) Equity

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of issue costs.

Warrants issued by the Company typically accompany an issuance of shares in the Company (a “unit”), and entitle the warrant holder to exercise the warrants for a stated price for a stated number of common shares in the Company. The fair value of the components of the units sold are measured using the relative fair value approach, based on the calculated fair value of the stand-alone shares through reference to the fair value of the stand-alone warrant, using the Black-Scholes option pricing model.

i) Flow-through Common Shares

Canadian income tax legislation permits companies to issue flow-through instruments whereby the income tax deductions generated by eligible expenditures of the Company, defined in the Income Tax Act (Canada) as qualified Canadian exploration expenses, are claimed by the investors rather than by the Company. Shares issued on a flow-through basis are typically sold at a premium above the market share price which relates to the tax benefits that will flow through to the investors. The Company may issue flow-through shares as part of its equity financing transactions in order to fund its exploration activities. The Company estimates the portion of the proceeds attributable to the premium as being the excess of the flow-through share price over the market share price of the common shares without the flow-through feature at the time of subscription. The premium is recorded as a liability which represents the Company’s obligation to spend the flow-through funds on eligible expenditures and is amortized through the statement of loss as the eligible expenditures are incurred.

j) (Loss) earnings per share

Basic loss (earnings) per common share is calculated by dividing the loss (earnings) attributed to shareholders for the period by the weighted average number of common shares outstanding in the period. Diluted earnings per common share is calculated by adjusting the weighted average number of common shares outstanding to assume conversion of all dilutive potential common shares. Stock options, shares to be issued, and warrants outstanding are not included in the computation of diluted loss (earnings) per share if their inclusion would be anti-dilutive.

k) Segment reporting

The Company’s operations comprise a single operating segment engaged in mineral exploration in Canada. As the operations comprise a single operating segment, amounts disclosed in the financial statements also represent segment amounts.

3 Summary of Material Accounting Policies (continued)

l) Future Changes in Accounting Policies Not Yet Effective

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In May 2021, the IASB issued Deferred Tax related to Assets and Liabilities Arising from a Single Transaction which amended IAS 12, Income Taxes ("IAS 12"). The amendments narrowed the scope of the recognition exemption in IAS 12, relating to the recognition of deferred tax assets and liabilities, so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as leases and reclamation and closure cost provisions. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 to transactions that occur on or after the beginning of the earliest comparative period presented. Earlier application is permitted. The Company does not expect the adoption of these amendments to have a material impact on its financial statements.

Amendments to IAS 1 Presentation of Financial Statements—Classification of Liabilities as Current or Non-current. The amendments to IAS 1 published in January 2020 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of ‘settlement’ to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2024, with early application permitted. The Company anticipates that the application of these amendments may not have an impact on the financial statements in future periods.

m) Future Changes in Accounting Policies Not Yet Effective

The following amendment to accounting standards has been issued but not yet adopted in the financial statements:

In October 2022, the IASB published amendments to IAS 1 Presentation of Financial Statements to clarify whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current (based on a substantive right to defer settlement). This amendment is effective January 1, 2024 with early adoption permitted. The Company has not yet determined the effect of adoption of this amendment on its consolidated financial statements.

(Expressed in Canadian dollars except where indicated)

4 Cash and Cash Equivalents

	January 31, 2024 $	April 30, 2023 $
Cash	267,701	-
Cash equivalents	1,000,000	-
Total	**1,267,701**	**-**

5 Mineral Property Interests

The Company holds approximately 26,764 hectares of mining claims in the Thompson Nickel Belt located in the province of Manitoba in Canada. The holdings are comprised of 5 projects which are in various stages of exploration and discovery.

Details of acquisition costs for the twelve and nine months ended April 30, 2023 and January 31, 2024 are as follows:

Project	May 5, 2022 $	April 30, 2023 $	Additions $	January 31, 2024 $
Thompson Nickel Belt				
Mel (a)	-	-	979,150	979,150
Halfway Lake (b)	-	-	104,998	104,998
Hunter (c)	-	-	28,885	28,885
Resting Lake (d)	-	-	17,505	17,505
Odei River (e)	-	-	5,106	5,106
Total	**-**	**-**	**1,135,644**	**1,135,644**

6 Share Capital

The Company has authorized capital consisting of an unlimited amount of common shares without par value.

Share Issuances

a) During the month of January 2024, the Company issued 447,704 common shares from the exercise of stock option for gross proceeds of $22,385.

b) On December 28, 2023, the Company completed a non-brokered private placement and issued 4,354,400 flow-through units for gross proceeds of $391,896. Each flow-through unit was sold at a price of $0.09 and consists of one flow-through common share and one-half of one transferable common share purchase warrant. Each whole warrant entitles the holder thereof to purchase one common share for a period of 2 years at a price of $0.14. In connection with this financing, the Company paid cash finder's fees of $19,410 and issued a total of 215,664 finder's warrants. Each finder's warrant is exercisable for one common share at a price of $0.09/share for two years. The finder's warrants issued as part of this placement have been recorded at a fair valued of $13,905 using the Black Scholes option pricing model.

c) On November 10, 2023, the Company completed the closing of the arrangement agreement dated September 1, 2023 between CanAlaska and Core Nickel Corp. whereby CanAlaska transferred to the Company pursuant to the arrangement the following:

   (a) the five mineral properties commonly referred to as the Halfway Lake, Resting Lake, Hunter, Odei River and Mel Properties; and

   (b) $1,000,000 cash.

   On the completion of the acquisition of the five nickel properties and $1,000,000 cash, the Company surrendered one common share and issued 24,997,482 Core Nickel common shares which were distributed to the CanAlaska shareholders pursuant to the plan of arrangement.

d) On May 5, 2022, on incorporation, one common share was issued at a price of $0.01

(Expressed in Canadian dollars except where indicated)

7 Share Stock Options and Warrants

The Company has a stock option plan that permits the granting of stock options to directors, officers, key employees and consultants. Terms and pricing of options are determined by management at the date of grant. A total of 10% of the issued and outstanding common shares of the Company may be allotted and reserved for issuance under the stock option plan.

	Number of options	Weighted average exercise price $
Outstanding – May 1, 2023	**-**	**-**
Granted – per plan of arrangement	2,416,393	0.05
Exercised	(447,704)	0.05
Outstanding – January 31, 2024	**1,968,689**	**0.05**

Pursuant to the plan of arrangement, the number of options granted upon the date of the transaction were 2,416,393. All options were calculated to have a minimum exercise price allowed under the CSE policy of $0.05.

As at January 31, 2024, the following stock options were outstanding:

	Number of options outstanding	Exercisable price $	Expiry date
	156,896	0.05	May 12, 2024
	49,967	0.05	July 28, 2024
	235,840	0.05	November 20, 2024
	370,758	0.05	January 11, 2025
	382,746	0.05	July 21, 2025
	347,765	0.05	November 28, 2025
	424,717	0.05	July 28, 2026
Total	**1,968,689**		

Warrants

	Number of warrants	Weighted average exercise price $
Outstanding – May 5, 2022	**-**	**-**
Outstanding – May 1, 2023	-	-
Granted – per plan of arrangement	4,565,469	0.19
Granted	2,392,864	0.14
Outstanding – January 31, 2024	**6,958,333**	**0.17**

(Expressed in Canadian dollars except where indicated)

7 Share Stock Options and Warrants (continued)

At January 31, 2024, the following warrants were outstanding:

	Number of warrants outstanding	Exercise price $	Expiry date
	2,308,814	0.175	May 16, 2024
	103,942	0.175	July 18, 2024
	176,801	0.175	August 15, 2024
	1,766,141	0.225	November 1, 2025
	209,771	0.15	November 1, 2025
	2,177,200	0.14	December 28, 2025
	215,664	0.09	December 28, 2025
Total	**6,958,333**		

Option and warrant pricing models require the input of highly subjective assumptions including the expected volatility. Changes in the assumptions can materially affect the fair value estimate, and therefore, the existing models do not necessarily provide a reliable measure of the fair value of the Company's stock options and warrants. The Company's expected volatility is estimated using the historical volatility of CanAlaska Uranium Ltd.'s share price. The following assumptions were used in the Black-Scholes option pricing model to calculate the compensation expense for the three and nine months ended January 31, 2024 and 2023:

	Nine months ended January 31	
Options	**2024**	**2023**
Weighted average fair value	$0.18	-
Forfeiture rate	0%	-
Risk-free interest rate	3.95% - 4.38%	-
Expected life	2.0 years – 3.0 years	-
Expected volatility	81.4% – 90.0%	-
Expected dividend	0%	-

	Nine months ended January 31	
Warrants	**2024**	**2023**
Weighted average fair value	$0.05	-
Forfeiture rate	0%	-
Risk-free interest rate	3.88%	-
Expected life	2.0 years	-
Expected volatility	100%	-
Expected dividend	0%	-

(Expressed in Canadian dollars except where indicated)

8 Related Party Transactions

Related parties include the Board of Directors and Officers of the Company and enterprises which are controlled by these individuals.

The remuneration of directors and key management of the Company for the three and nine months ended January 31, 2024 and 2023 were as follows.

	Three months ended January 31		Nine months ended January 31	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Employment benefits	24,000	-	24,000	-
Consulting fees	10,000	-	10,000	-

Amounts paid or payable to companies with officers and/or directors in common are as follows:

	Three months ended January 31		Nine months ended January 31	
	2024	**2023**	**2024**	**2023**
	$	**$**	**$**	**$**
Rent	2,780	-	2,780	-
Other expenses and exploration costs	25,495	-	25,495	-

Included in trade and other payables at January 31, 2024 is $17,569 (January 31, 2023 - $nil) due to officers and directors and companies with directors and/or officers in common.

9 Management of Capital

The Company considers its capital to consist of common shares, stock options and warrants. 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 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 and, acquire or dispose of assets.

In order to maximize ongoing exploration efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with short term maturities, selected with regards to the expected timing of expenditures from continuing operations.

10 Plan of Arrangement

On November 10, 2023, a plan of arrangement was completed by CanAlaska.

The arrangement agreement dated September 1, 2023, entered into between the CanAlaska and the Company (a wholly owned subsidiary of CanAlaska), was approved by the shareholders of CanAlaska on October 25, 2023, by a Final Order granted by the Supreme Court of British Columbia on October 31, 2023, in accordance with Part 9 of the Business Corporations Act (British Columbia), and accepted by the TSX Venture Exchange and the Canadian Securities Exchange ("CSE").

Pursuant to the Arrangement Agreement and on the effective date:

a) CanAlaska transferred the following assets to Core Nickel in consideration for 24,997,482 common shares of Core Nickel (the "Core Nickel Shares");

    i) The five (5) mineral properties commonly referred to as the Halfway Lake Property, the Resting Lake Property, the Hunter Property, the Odei River Property and the Mel Property;

    ii) $1,000,000 cash

b) the existing common shares of CanAlaska were re-designated as Class A Shares ("the CVV Class A Shares") and CanAlaska created a new class of common shares known as the "New CVV Common Shares";

c) each CVV Class A Share was exchange for one New CVV Common Share and 0.19987 of one Core Nickel Share

d) the CVV Class A Shares were cancelled;

e) all outstanding warrants of CanAlaska were adjusted to allow holders to acquire, upon exercise, one New CVV Common Share and 0.19987 of one Core Nickel Share, such that an aggregate of 4,565,469 Core Nickel Shares may be issued if all outstanding warrants are exercised;

f) all holders of the outstanding options of CanAlaska received 0.19987 of one Core Nickel option with whole option entitling the holder therefore to purchase one Core Nickel Share, such that an aggregate of 2,416,393 Core Nickel Shares may be issued if all such options are exercised; and

g) Core Nickel became a reporting issuer in British Columbia, Alberta, Ontario and Newfoundland and Labrador.

The Company has determined that the transfer of assets to Core Nickel does not meet the definition of a business combination. As such, the transfer of assets has been accounted for as an acquisition of mineral property interests (note 5) and cash (note 4) in the condensed interim financial statements.

11 Subsequent Events

a) During March 2024, the Company issued 248,700 common shares from the exercise of warrants for total gross proceeds of $43,551.

b) In March 2024, the Company received $69,100 from the Manitoba Government from its Manitoba Mineral Development Fund (“MMDF) as a grant for future exploration expenditures.