RUNNING FOX RESOURCE CORP.
Condensed Interim Consolidated Financial Statements

For the Three and Six Months Ended May 31, 2023 and 2022
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

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

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

The Company's independent auditors have not performed an audit or review of these condensed interim consolidated financial statements. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

RUNNING FOX RESOURCE CORP.
Condensed Interim Consolidated Statements of Financial Position
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	May 31, 2023 $	November 30, 2022 $
ASSETS		
Current assets		
Cash	22,889	341,837
Marketable securities (Note 4)	190,602	153
Total current assets	213,491	341,990
Non-current assets		
Property and equipment (Note 5)	2,945	3,465
Total assets	216,436	345,455
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	55,970	10,168
Total liabilities	55,970	10,168
Shareholders' equity		
Share capital	22,816,298	22,816,298
Share-based payment reserve	220,800	220,800
Deficit	(22,876,632)	(22,701,811)
Total shareholders' equity	160,466	335,287
Total liabilities and shareholders' equity	216,436	345,455

Approved and authorized for issuance on behalf of the Board of Directors on July 25, 2023

/s/ Steven Schurman
Steven Schurman, Director

/s/ Michael Meyers
Michael Meyers, Director

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

RUNNING FOX RESOURCE CORP.

Condensed Interim Consolidated Statements of Operations and Comprehensive Income (Loss)
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Three Months Ended		Six Months Ended	
	May 31, 2023 $	May 31, 2022 $	May 31, 2023 $	May 31, 2022 $
Operating expenses				
Depreciation	260	371	520	742
Management fees (Note 8)	45,000	45,000	90,000	90,000
Office and administration	4,796	3,931	7,654	6,850
Professional fees	2,730	2,730	16,360	15,860
Transfer agent and regulatory fees	2,608	4,518	7,230	6,971
Travel and automobile	6,981	3,436	8,801	4,426
Total operating expenses	62,375	59,986	130,565	124,849
Loss before other income (expense)	(62,375)	(59,986)	(130,565)	(124,849)
Other income (expense)				
Foreign exchange gain (loss)	(897)	(1,562)	2,350	(4,269)
Interest and other income	–	95,549	–	95,549
Realized loss on sale of marketable securities (Note 4)	(38,016)	(88,703)	(68,232)	(169,873)
Unrealized gain (loss) on marketable securities (Note 4)	20,184	51	21,626	(49,657)
Total other income (expense)	(18,729)	5,335	(44,256)	(128,250)
Net income (loss) and comprehensive income (loss)	(81,104)	(54,651)	(174,821)	(253,099)
Basic and diluted earnings (loss) per share	(0.00)	(0.00)	(0.00)	(0.00)
Weighted average shares outstanding, basic and	54,770,548	54,770,548	54,770,548	54,770,548

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

RUNNING FOX RESOURCE CORP.
Condensed Interim Consolidated Statements of Changes in Shareholders' Equity
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Share capital		Share-based payment		Total shareholders'
	Number of shares	Amount $	reserve $	Deficit $	equity $
Balance, November 30, 2022	54,770,548	22,816,298	220,800	(22,701,811)	335,287
Net loss for the period	–	–	–	(174,821)	(174,821)
Balance, May 31, 2023	54,770,548	22,816,298	220,800	(22,876,632)	160,466
Balance, November 30, 2021	54,770,548	22,816,298	220,800	(22,094,902)	942,196
Net loss for the period	–	–	–	(253,099)	(253,099)
Balance, May 31, 2022	54,770,548	22,816,298	220,800	(22,348,001)	689,097

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

RUNNING FOX RESOURCE CORP.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)

	Six Months Ended	
	May 31, 2023 $	May 31, 2022 $
Operating activities		
Net income (loss)	(174,821)	(253,099)
Items not involving cash:		
Depreciation	520	742
Realized loss (gain) on sale of marketable securities	68,232	169,873
Unrealized loss (gain) on marketable securities	(21,626)	49,657
Effects of foreign exchange	–	(3,661)
Changes in non-cash operating working capital items:		
Accounts payable and accrued liabilities	45,802	2,158
Net cash used in operating activities	(81,893)	(34,330)
Investing activities		
Proceeds from sale of marketable securities	256,468	768,213
Purchases of marketable securities	(493,523)	(769,243)
Net cash provided by (used in) investing activities	(237,055)	(1,030)
Increase (decrease) in cash	(318,948)	(35,360)
Cash, beginning of period	341,837	727,135
Cash, end of period	22,889	691,775

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

1. Nature of Operations

Running Fox Resource Corp. (the "Company") was incorporated under the laws of the province of British Columbia on September 1, 1981. The Company is in the business of reviewing, optioning or acquiring suitable projects and developing those projects for eventual cash flow in Canada and the United States of America. The Company's head office is located at 8148 Carr Crescent, Arvada, Colorado, USA.

2. Basis of Presentation

(a) Statement of Compliance and Basis of Presentation

These condensed interim consolidated financial statements are unaudited and have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting.

The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company in its audited consolidated financial statements for the year ended November 30, 2022. These condensed interim consolidated financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes. Results for the period ended May 31, 2023 are not necessarily indicative of future results.

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments which are measured at fair value. These condensed interim consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

(b) Principles of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned inactive subsidiary, Running Fox (US) Inc.

The Company's consolidated financial statements include the accounts of all subsidiaries subject to control by the Company. Control is achieved when the Company has the power to, directly or indirectly, govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. Intercompany balances, transactions, and unrealized intercompany gains and losses are eliminated upon consolidation.

(c) Use of Estimates and Judgments

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments, and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim consolidated financial statements and reported amounts of expenses during the period. These estimates are, by their nature, uncertain. The impacts of such estimates are pervasive throughout the condensed interim consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(Expressed in Canadian dollars)

2. Basis of Presentation (continued)

(c) Use of Estimates and Judgments (continued)

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the impairment of marketable securities and unrecognized deferred income tax assets.

The Company's policy for property and equipment requires judgment in determining whether the present value of future expected economic benefits exceeds capitalized costs. The policy requires management to make certain estimates and assumptions about future economic benefits related to its oil and gas interest. Estimates and assumptions may change if new information becomes available. If information becomes available suggesting that the recovery of capitalized cost is unlikely, the capitalized costs are written off to the consolidated statement of operations.

The assessment of the going concern assumption requires management to take into account all available information about the future, which is at least, but is not limited to, 12 months from the end of the reporting period.

3. Accounting Standards Issued but Not Yet Effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the three and six months ended May 31, 2023, and have not been applied in preparing these condensed interim consolidated financial statements. These accounting standards or amendments are either not applicable or not expected to have a significant impact on the Company's condensed interim consolidated financial statements.

4. Marketable Securities

Marketable securities are comprised of common shares of publicly-traded companies, and are classified as fair value through profit or loss and measured at fair value with unrealized gains and losses recognized through the consolidated statement of operations. The fair value of the marketable securities has been determined directly by reference to public price quotations in an active market.

	May 31, 2023 $
Opening Balance	153
Acquisitions	493,523
Proceeds from disposition	(256,468)
Realized gain (loss) on sale of marketable securities	(68,232)
Unrealized gain (loss) on marketable securities	21,626
Ending Balance	190,602

(Expressed in Canadian dollars)

5. Property and Equipment

	Equipment $	Vehicles $	Computer hardware $	Oil and gas option interest $	Total $
Cost:					
Balance, November 30, 2021, 2022 and May 31, 2023	1,534	55,841	3,585	3,699,496	3,760,456
Accumulated Depreciation, Depletion, and Impairment:					
Balance, November 30, 2021	1,534	50,892	3,585	3,699,496	3,755,507
Additions	–	1,484	–	–	1,484
Balance, November 30, 2022	1,534	52,376	3,585	3,699,496	3,756,991
Additions	–	520	–	–	520
Balance, May 31, 2023	1,534	52,896	3,585	3,699,496	3,757,511
Carrying Amounts:					
Balance, November 30, 2022	–	3,465	–	–	3,465
Balance, May 31, 2023	–	2,945	–	–	2,945

Oil and Gas Project – Alberta, Canada

The Company had a 5 ~ 15% non-operated option interest in certain oil and gas leasehold lands located in southwestern Alberta, Canada, with no interest in the area infrastructure. There are no reserves or proven technically and economically recoverable resources connected with this property.

The project's carrying value was reduced to $nil during the year ended November 30, 2015 as the property was shut-in.

6. Share Capital

Authorized capital: unlimited common shares without par value

7. Stock Options

The Company's shareholders have approved a stock option plan pursuant to which options may be granted to directors, officers, employees, and consultants of the Company to a maximum of 10% of the issued and outstanding common shares. As the board of directors has not formally approved the plan, the Company has not enacted the stock option plan. As at May 31, 2023 and November 30, 2022, the Company had no outstanding stock options.

8. Related Party Transactions

During the three and six months ended May 31, 2023, the Company incurred $45,000 and $90,000 (2022 – $45,000 and $90,000) in management fees to the Chief Executive Officer of the Company. As at May 31, 2023, the Company owed $47,250 (November 30, 2022 - $nil) in accounts payable and accrued liabilities to the Chief Executive Officer of the Company.

9. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash, marketable securities, and equity comprised of issued share capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended November 30, 2022.

10. Financial Instruments and Risk Management

(a) Fair Values

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's consolidated statement of financial position as at May 31, 2023 as follows:

	Fair Value Measurements Using			
	Quoted prices in active markets for identical instruments (Level 1) $	Significant other observable inputs (Level 2) $	Significant unobservable inputs (Level 3) $	Carrying Amount $
Marketable securities	190,602	–	–	190,602

The fair values of other financial instruments, which include cash, and accounts payable and accrued liabilities, approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

(c) Foreign Exchange Rate Risk

The Company has entities in Canada and the United States but operates primarily in Canada. Foreign exchange risk arises from purchase transactions as well as financial assets and liabilities denominated in foreign currencies.

The Company is exposed to foreign exchange risk on its cash and marketable securities. As at May 31, 2023, the Company had approximately US$15,000 of cash and US$140,000 of marketable securities denominated in US dollars. A fluctuation of 5% in the foreign exchange rate between the US dollar and the Canadian dollar would result in an increase or decrease in the Company's net income of approximately $11,000. The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

10. Financial Instruments and Risk Management (continued)

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

(f) Market Risk

The Company's investments are in the form of publicly traded shares of publicly listed companies, of which the market values may fluctuate. As at May 31, 2023, a 10% increase or decrease in the price of the Company’s marketable securities would result in an increase or decrease in the Company’s net income of approximately $19,000.