NevAdo VDO Resources Corporation

CONDENSED INTERIM FINANCIAL STATEMENTS

June 30, 2023

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

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

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

NEVADO RESOURCES CORPORATION
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)
As at

		June 30, 2023		December 31, 2022
ASSETS				
Current				
Cash	$	706,570	$	773,155
Receivables		21,653		18,529
Prepaid expenses		5,515		1,145
	$	733,738	$	792,829
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 6)	$	136,133	$	112,490
		136,133		112,490
SHAREHOLDERS' EQUITY				
Share capital (Note 5)		14,270,833		14,270,833
Deficit		(13,673,228)		(13,590,494)
		597,605		680,339
	$	773,738	$	792,829

Nature of operations and going concern (Note 1)

Approved on behalf of the Board:

/s/ "Tyson King"
Tyson King, Director

/s/ "Doug Walden"
Doug Walden, Director

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

NEVADO RESOURCES CORPORATION
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended June 30, 2023	Three months ended June 30, 2022	Six months ended June 30, 2023	Six months ended June 30, 2022
Expenses				
Administrative costs	$ 8,000	$ 7,500	$ 15,500	$ 15,000
Filing and regulatory fees	2,218	2,349	4,459	4,582
Management fees (Note 6)	15,000	15,000	30,000	30,000
Office and miscellaneous	2,404	2,416	3,990	11,619
Professional fees (Note 6)	8,971	7,166	16,471	14,666
Rent	4,500	3,600	9,000	3,600
Shareholder communication	1,024	999	1,024	999
Transfer agent	1,349	3,242	2,290	4,247
Operating loss	(43,466)	(42,272)	(82,734)	(84,713)
Loss on sale of marketable securities (Note 4)	-	-	-	(303,111)
Unrealized gain on marketable securities (Note 4)	-	-	-	285,831
	-	-	-	(17,280)
Loss and comprehensive loss for the period	$ (43,466)	$ (42,272)	$ (82,734)	$ (101,993)
Loss per common share – basic and diluted	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	12,219,065	12,219,065	12,219,065	12,219,065

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

NEVADO RESOURCES CORPORATION
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital						
	Number of shares		Amount		Deficit		Total
December 31, 2021	12,219,065	$	14,270,833	$	(13,395,609)	$	875,224
Loss for the period	-		-		(101,993)		(101,993)
June 30, 2022	12,219,065	$	14,270,833	$	(13,497,602)	$	773,231
December 31, 2022	12,219,065	$	14,270,833	$	(13,590,494)	$	680,339
Loss for the period	-		-		(82,734)		(82,734)
June 30, 2023	12,219,065	$	14,270,833	$	(13,673,228)	$	597,605

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

NEVADO RESOURCES CORPORATION
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

		Six months ended June 30, 2023		Six months ended June 30, 2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	$	(82,734)	$	(101,993)
Adjust for items not involving cash:				
Loss on sale of marketable securities		-		303,111
Unrealized gain on marketable securities		-		(285,831)
Changes in non-cash working capital items:				
Receivables		(3,124)		(3,168)
Prepaid expenses		(4,370)		(5,150)
Accounts payable and accrued liabilities		23,643		13,736
Part XII.6 tax payable		-		(21,080)
Net cash used in operating activities		(66,585)		(100,375)
CASH FLOWS FROM INVESTING ACTIVITY				
Proceeds on sale of marketable securities		-		128,593
Net cash provided by investing activity		-		128,593
Change in cash		(66,585)		28,218
Cash, beginning of period		773,155		805,201
Cash, end of period	$	706,570	$	833,419

Supplemental cash flow information (Note 7)

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

1. Nature of Operations and Going Concern

Nevado Resources Corporation (the “Company”) was incorporated on June 9, 2006 under the Canada Business Corporations Act and was continued into British Columbia under the Business Corporations Act (British Columbia) on July 5, 2019. The Company is listed on the NEX (separate board for companies that do not meet TSX Venture Exchange ("TSX-V") thresholds) under the trading symbol VDO.H. The Company is an exploration and evaluation stage corporation and is in the business of acquiring, exploring, and evaluating mineral properties. The Company’s head office is located at 330 - 890 West Pender Street, Vancouver, BC, V6C 1J9. The Company’s registered and records office is located at 40440 Thunderbird Ridge B1831, Garibaldi Highlands, BC, V0N 1T0.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. These condensed interim financial statements do not reflect the adjustment to the carrying values of assets and liabilities, expenses and financial position classifications that would be necessary were the going concern assumption not appropriate. These adjustments could be material.

The Company’s continuation as a going concern is dependent upon the successful results from its business activities, its ability to obtain profitable operations and generate funds, and/or complete financings sufficient to meet current and future obligations. Any funding shortfall may be met in the future in a number of ways including, but not limited to, the issuance of new debt or equity instruments, expenditures reductions and/or the introduction of joint venture partners and/or business combinations. While management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Company or that they will be available on terms which are acceptable to the Company. The Company previously raised capital through a private placement of its common shares and in the prior reporting periods through the sale of marketable securities, with the result that the current working capital balance is an amount that management estimates is sufficient to further operations for the upcoming twelve months.

In February 2022, Russia invaded Ukraine. This has created global supply chain issues, market instability and volatility, and increased inflation. It is not possible for the Company to predict the duration or magnitude of the adverse results of the Russian invasion and its effects on the Company’s business or results of operations or its ability to raise funds.

2. Basis of Presentation

Statement of compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee. They do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements, and, therefore, should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2022, prepared in accordance with IFRS as issued by the IASB.

Approval of the financial statements

These condensed interim financial statements were authorized by the Board of Directors of the Company on August 29, 2023.

Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis except for financial instruments which are carried at fair value through profit and loss. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

These condensed interim financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company.

Significant estimates and judgments

Many of the amounts included in these condensed interim financial statements require management to make judgments and estimates. These judgments and estimates are continually evaluated and are based on management's experience and knowledge of the relevant facts and circumstances. Actual results may differ from the amounts included in the condensed interim financial statements.

Areas of significant judgment and estimates affecting the amounts recognized in these condensed interim financial statements include, but are not limited to, the following:

Going concern - The Company assesses whether its available funds are sufficient to continue operations for the ensuing twelve months. The assessment of the Company's ability to execute its strategy by funding future working capital requirements involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

3. Significant Accounting Policies

These condensed interim financial statements were prepared using the same accounting policies and methods of computation as in the Company's audited financial statements for the year ended December 31, 2022.

New standards, interpretations and amendments to existing standards not yet effective

A number of new standards and amendments to standards and interpretations have been issued by the IASB and are effective for annual periods beginning after January 1, 2023. There are no new standards nor amendments to standards and interpretations that have a material impact on these condensed interim financial statements. There are no IFRSs or IFRS Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on these condensed interim financial statements.

4. Marketable Securities

In fiscal 2020, the Company received 1,500,000 common shares of Temas Resources Corp. ("Temas"), with a fair value of $845,888, pursuant to the purchase agreement on the La Blanche property. As at June 30, 2023, the Company held nil (December 31, 2022 - nil) common shares of Temas with a fair value of $nil (December 31, 2022 - $nil). The change in market value of the shares resulted in recording an unrealized gain on marketable securities for the six months ended June 30, 2023 of $nil (June 30, 2022 - $285,831). During the six months June 30, 2023, the Company sold nil (June 30, 2022 - 788,500) common shares for proceeds of $nil (June 30, 2022 - $128,593) resulting in a loss on sale of marketable securities of $nil (June 30, 2022 - $303,111).

5. Share Capital

Authorized share capital

Unlimited number of shares without par value.

Issued share capital

During the six months ended June 30, 2023 and 2022, the Company did not issue any shares.

(Expressed in Canadian Dollars)

5. Share Capital (cont'd…)

Stock options

The Company has an incentive stock option plan in accordance with the policies of the TSX-V, which provides that the Board of Directors may, from time to time, at its discretion, grant to directors, officers, employees and other key personnel non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance under the stock option plan does not exceed 10% of the issued and outstanding common shares. The Board of Directors determines the price per common share and the number of common shares that may be allocated to directors, officers, employees and consultants of the Company and all other terms and conditions of the options, subject to the policies of the TSX-V.

During the six months ended June 30, 2023 and 2022, no options were granted.

As at June 30, 2023 and December 31, 2022, no options were outstanding.

Warrants

During the six months ended June 30, 2023 and 2022, no warrants were issued.

As at June 30, 2023 and December 31, 2022, no warrants were outstanding.

6. Related Party Transactions

The Company considers key management personnel to consist of its directors and officers. The following expenses were incurred in transactions with key management personnel:

	Six months ended June 30, 2023	Six months ended June 30, 2022
Management fees	$ 30,000	$ 30,000
Professional fees	15,500	15,000
	$ 45,500	$ 45,000

As at June 30, 2023, included in accounts payable and accrued liabilities was $123,150 (December 31, 2022 - $92,794) owing to a director and an officer.

7. Supplemental Cash Flow Information

There were no significant non-cash transactions during the six months ended June 30, 2023 and 2022.

8. Segmented Information

The Company operates in a single reportable operating segment being the acquisition and exploration of exploration and evaluation assets in Canada.

9. Financial Risk Management Objectives and Policies, and Financial Risks

Fair value hierarchy

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels are described in the following hierarchy:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2 - Pricing inputs are other than quoted prices in active markets included in level 1. Prices in level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, and accounts payable and accrued liabilities. The fair value of these financial instruments approximates their carrying values.

Financial risk management objectives and policies

The Company is exposed to various financial risks resulting from both its operations and its investment activities. The Company's management manages financial risks. The Company does not enter into financial instrument agreements, including derivative financial instruments, for speculative purposes.

9. Financial Risk Management Objectives and Policies, and Financial Risks (cont'd…)

The Company's main financial risks are detailed below.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due.

The Company manages its liquidity risk by using budgets that enable it to determine the amounts required to fund its operations. The Company also ensures that it has sufficient working capital available to meet its day-to-day commitments. The Company's ability to continue a going concern is dependent on management's ability to raise capital through future equity on debt issuances.

The Company has sufficient cash as at June 30, 2023 to settle its current liabilities as they come due for the upcoming twelve months.

Credit risk

Credit risk results from the possibility that a loss may occur from the failure of another party to perform according to the terms of the contract. The Company's credit risk is primarily attributable to its liquid financial assets, being cash and receivables. Cash is held with a significant Canadian chartered bank and an investment firm, which mitigates the credit risk. Receivables are due from government agencies.

Interest rate risk

The Company has cash balances, and its current policy is to invest excess cash in certificates of deposit or high-interest savings accounts with Canadian chartered banks. As at June 30, 2023, interest rate risk was nominal.

Price risk

The Company has limited exposure to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities.

10. Capital Management

The Company defines capital as being components of equity. The Company's capital management objectives are to ensure that it is able to pursue its operations, including the potential acquisition and evaluation and explorations assets. The Company manages its capital structure and makes adjustments to ensure that sufficient liquidity is available for operations. Accordingly, as necessary, it will attempt to obtain additional capital through equity markets. The Company is not subject to any externally imposed capital requirements. Changes in capital are described in the statements of changes in shareholders' equity. There has been no significant change in the Company's objectives, policies, and processes for managing its capital during the six months ended June 30, 2023.