

Interim condensed consolidated financial statements of

WILTON RESOURCES INC.

As at and for the three and six-month periods ended June 30, 2022 and 2021

WILTON RESOURCES INC.
Interim Condensed Consolidated Statements of Financial Position
(Unaudited)

As At	Note	June 30, 2022	December 31, 2021
Assets			
Current Assets			
Cash		\$ 208,485	\$ 348,532
Accounts receivable		7,624	8,021
Prepaid expenses		17,211	19,435
		233,320	375,988
Due from related party	11	334,652	363,652
Property and equipment	5	37,428	39,822
Total Assets		\$ 605,400	\$ 779,462
Liabilities			
Current Liabilities			
Accounts payable and accrued liabilities		\$ 1,148,897	\$ 1,143,810
		1,148,897	1,143,810
Decommissioning obligation	6	50,179	49,601
Total Liabilities		1,199,076	1,193,411
Shareholders' Equity (Deficit)			
Share capital	7	16,579,953	16,413,971
Warrants	9	1,340,031	1,187,602
Contributed surplus		8,738,308	8,738,308
Deficit		(27,251,968)	(26,753,830)
		(593,676)	(413,949)
Total Liabilities and Shareholders' Equity (Deficit)		\$ 605,400	\$ 779,462
Going concern	2		

See accompanying notes to the interim consolidated financial statements.

These interim condensed consolidated financial statements were approved by the Directors of the Company.

(signed) "Richard Anderson" , Director (signed) "Gerald Roe" , Director

WILTON RESOURCES INC.**Interim Condensed Consolidated Statements of Operations and Comprehensive Loss
(Unaudited)****For the three and six-month periods ended June 30,**

	Note	For the three months ended June 30		For the six months ended June 30	
		2022	2021	2022	2021
Revenue					
Petroleum and natural gas sales		\$ 3,921	\$ 2,957	\$ 7,573	\$ 5,770
Less:					
Royalty		315	78	503	161
		3,606	2,879	7,070	5,609
Expenses					
Production		1,017	1,195	2,408	2,513
Remediation recovery		-	10,257	-	(1,171)
Professional fees		16,182	65,963	53,155	223,902
Officer & consulting costs		117,898	118,137	231,184	200,207
Office & administrative		82,190	55,723	128,815	107,395
Meals and travel		10,476	4,347	25,685	9,963
Stock-based compensation	8	-	-	-	466,191
Accretion and change in estimate of decommissioning obligation	6	289	166	578	(1,445)
Depletion	5	1,218	1,274	2,394	2,641
		229,270	257,062	444,219	1,010,196
Net loss and comprehensive loss					
		\$ 225,664	\$ 254,183	\$ 437,149	\$ 1,004,587
Loss per share - basic and diluted					
	10	\$ 0.00	\$ 0.00	\$ 0.01	\$ 0.02

WILTON RESOURCES INC.**Interim Condensed Consolidated Statements of Cash Flows****(Unaudited)****For the three and six-month periods ended June 30, 2022 and 2021**

	Note	For the three months ended June 30		For the six months ended June 30	
		2022	2021	2022	2021
Cash flows used in operating activities					
Net loss		\$ (225,664)	\$ (254,182)	\$ (437,149)	\$ (1,004,587)
Items not affecting cash:					
Stock-based compensation	8	-	-	-	466,191
Accretion and change in estimate of decommissioning obligation	6	289	166	578	(1,445)
Depletion	5	1,218	1,274	2,394	2,641
Change in non-cash working capital:					
Accounts receivable		(3,437)	3,725	397	(4,409)
Prepaid expenses		3,052	(671)	2,224	41,501
Accounts payable and accrued liabilities		(9,942)	(25,040)	5,087	(61,898)
Deferred share capital contributions		-	-	-	(300,000)
Net cash used in operating activities		(234,484)	(274,728)	(426,469)	(862,006)
Cash flows from financing activities					
Shares to be issued	7	-	367,501	-	367,501
Exercise of options	7	-	-	-	123,300
Proceeds on issuance of shares, net	7	257,422	230,229	257,422	564,115
Repayments from (advances to) related party		5,243	(7,958)	29,000	(83,038)
Net cash provided by financing activities		262,665	589,772	286,422	971,878
Cash flows used in investing activities					
Net cash used in investing activities		-	-	-	-
Change in cash		28,181	315,044	(140,047)	109,872
Cash, beginning of period		180,304	70,740	348,532	275,912
Cash, end of period		\$ 208,485	\$ 385,784	\$ 208,485	\$ 385,784

See accompanying notes to the interim condensed consolidated financial statements.

WILTON RESOURCES INC.**Interim Consolidated Statements of Changes in Shareholders' Deficit**
For the three and six-month periods ended June 30, 2022 and 2021

	Share capital	Contributed surplus	Warrants/ agents' options	Deficit	Total
Balance at January 1, 2022	\$ 16,413,971	\$ 8,738,308	\$ 1,187,602	\$ (26,753,830)	\$ (413,949)
Issuance of common shares and units, net	257,422	-	-	-	257,422
Warrants issued as part of units (note 7)	(91,440)	-	91,440	-	-
Warrant extension (note 9)	-	-	60,989	(60,989)	-
Net loss and comprehensive loss	-	-	-	(437,149)	(437,149)
Balance at June 30, 2022	\$ 16,579,953	\$ 8,738,308	\$ 1,340,031	\$ (27,251,968)	\$ (593,676)
Balance at January 1, 2021	\$ 15,216,302	\$ 7,498,024	\$ 717,686	\$ (24,312,070)	\$ (880,058)
Issuance of common shares and units, net	564,115	-	-	-	564,115
Options exercised	287,015	(163,715)	-	-	123,300
Warrants issued as part of units (note 7)	(236,261)	-	236,261	-	-
Warrant extension (note 9)	-	-	123,849	(123,849)	-
Share-based compensation (note 8)	-	466,191	-	-	466,191
Net loss and comprehensive loss	-	-	-	(1,004,587)	(1,004,587)
Balance at June 30, 2021	\$ 15,831,171	\$ 7,800,500	\$ 1,077,796	\$ (25,440,506)	\$ (731,039)

See accompanying notes to the interim consolidated financial statements.

WILTON RESOURCES INC.

Notes to the Interim Consolidated Financial Statements

For the three and six-month periods ended June 30, 2022 and 2021

1. General business description

Hackamore Capital Corp. was incorporated under the laws of the Province of Alberta on August 15, 2007 and changed its name to Wilton Resources Inc. on October 27, 2008. On July 24, 2009, the Company completed its initial public offering ("IPO") by way of a capital pool company prospectus. The Company was listed as a capital pool company ("Capital Pool Company") as defined in Policy 2.4 of the TSX Venture Exchange ("TSXV") on August 5, 2009. On October 28, 2011, Wilton completed its qualifying transaction ("Qualifying Transaction") by the acquisition of a 75% non-operated working interest in a producing oil and natural gas well located in Monitor, Alberta.

The principal activities of Wilton Resources Inc. and its subsidiaries (collectively, the "Company" or "Wilton") include oil and gas exploration and development. The Company has a working interest in a property in Canada, however, the Company is pursuing oil and gas properties in various international locations including the Middle East and Africa. The common shares of the Company ("Common Shares") are listed for trading on the TSXV with the trading symbol WIL.

The registered and records address of the Company is 1900, 520-3rd Ave SW, Calgary, Alberta, T2P 0R3.

2. Going concern

As at June 30, 2022, the Company has a working capital deficit of \$915,577 (December 31, 2021 - \$767,822). In order to settle its existing liabilities and continue operations, including its ongoing oil and natural gas acquisition, exploration and development activities, Wilton will require additional financing. Failure to obtain such financing on a timely basis could cause Wilton to forfeit its interest in its properties, to miss acquisition opportunities and/or to reduce or terminate its operations. There can be no assurance that debt or equity financing will be available or for an amount sufficient to meet the Company's needs and intentions, or, if debt or equity financing is available, that it will be on terms acceptable to Wilton. Moreover, future activities may require Wilton to alter its capitalization significantly. The inability of Wilton to access sufficient capital for its operations could have a material adverse effect on Wilton's financial condition, results of operations or prospects. These conditions create a material uncertainty which may cast significant doubt on the Company's ability to continue as a going concern.

The coronavirus pandemic (COVID-19) and the subsequent economic recovery continues to drive the global demand and prices for crude oil and natural gas. Restrictions on the conduct of business in many jurisdictions remain and the global movement of people and some goods continuous to be challenging. There is significant ongoing uncertainty surrounding COVID-19 and the extent and duration of the impacts that it may have on the Company's operations. The extent to which COVID-19 impacts the Company's results long-term will depend on future developments, which are highly uncertain and cannot be predicted, including actions taken to contain COVID-19, the timing of the recovery, and lifting of travel restrictions and movement of goods and services. COVID-19 may limit management's ability to travel and conduct meetings with third parties. In person meetings are important to generating and progressing investment opportunities. The availability of third parties to meet or conduct business with respect to the opportunities Wilton is pursuing may be impacted with priorities shifting to managing personal safety and present operations.

WILTON RESOURCES INC.

Notes to the Interim Consolidated Financial Statements

For the three and six-month periods ended June 30, 2022 and 2021

3. Basis of presentation

These interim condensed consolidated financial statements are unaudited and have been prepared in accordance with IAS 34, *Interim Financial Reporting*. The disclosures herein are incremental to those included with the audited consolidated financial statements as at and for the year ended December 31, 2021 and should be read in conjunction with the audited consolidated financial statements as at and for the year ended December 31, 2021. These interim condensed consolidated financial statements were authorized for issue by the board of directors on May 30, 2022.

These interim condensed consolidated financial statements are presented in Canadian dollars which is the Company's functional currency. In preparing these interim consolidated financial statements, methods of computation and significant judgements made by management in applying the Company's accounting policies and key sources of estimation of uncertainty were the same as those that applied to the audited consolidated financial statements as at and for the year ended December 31, 2021.

4. Significant accounting policies

These interim condensed consolidated financial statements follow the same accounting principles and methods of application as those disclosed in note 4 of the Company's audited consolidated financial statements as at and for the year ended December 31, 2021.

5. Property and equipment

Petroleum and natural gas		
Cost		
Balance at January 1, 2022	\$	930,219
Balance at June 30, 2022	\$	930,219
Accumulated depletion and impairment		
Balance at January 1, 2022	\$	890,397
Depletion		2,394
Balance at June 30, 2022		892,791
Net book value, January 1, 2022	\$	39,822
Net book value, June 30, 2022	\$	37,428

Depletion of \$1,218 and \$2,394 was recorded for the three and six-month periods ended June 30, 2022 (2021 - \$1,274 and \$2,641).

6. Decommissioning obligation

Balance, January 1, 2022	\$	49,601
Accretion		578
Balance June 30, 2022	\$	50,179

WILTON RESOURCES INC.

Notes to the Interim Consolidated Financial Statements

For the three and six-month periods ended June 30, 2022 and 2021

7. Share capital

(a) Preferred Shares

The Company is authorized to issue an unlimited number of preferred shares, issuable in series, none of which are issued and outstanding as of the date hereof.

(b) Common Shares

The Company is authorized to issue an unlimited number of Common Shares without nominal or par value.

The holders of Common Shares are entitled to dividends, if, as and when declared by the board of directors, to one vote per share at meetings of the shareholders of the Company and, upon dissolution, to share equally in such assets of the Company as are distributable to the holders of Common Shares.

	Number of shares
Balance at January 1, 2022	63,665,262
Shares issued	650,000
Balance, June 30, 2022	64,315,262

On June 29, 2022, the Company closed a private placement for an aggregate of 650,000 units of the Company at a purchase price of \$0.40 per unit for gross proceeds of \$260,000. Each unit sold pursuant to the private placement consisted of one Common Share and one Common Share purchase warrant. The fair value assigned to the purchase warrants pursuant to the unit offering was \$102,805. Each purchase warrant entitles the holder thereof to purchase an additional Common Share for a period of twenty-four months from the date of issuance at an exercise price of \$0.40 per Common Share.

The fair value of the purchase warrants granted was estimated using the Black-Scholes option pricing model based on the date of grant using the following assumptions:

Annualized volatility	68.51%
Dividend yield	0%
Risk-free interest rate	3.14%
Expected option life	2 years

8. Stock options

	Number of options	Weighted Average Exercise Price
Balance at January 1, 2022	6,362,879	\$0.61
Expired/cancelled	(218,000)	\$0.85
Balance, June 30, 2022	6,144,879	\$0.60

At June 30, 2022, the Company had 6,144,879 (2021 - 6,084,879) issued and outstanding stock options. The options are held by officers, directors and consultants of the Company.

WILTON RESOURCES INC.**Notes to the Interim Consolidated Financial Statements****For the three and six-month periods ended June 30, 2022 and 2021**

As at June 30, 2022, the Company had stock options outstanding and exercisable as follows:

Exercise Price	Number Outstanding	Number Exercisable	Issue Date	Expiration Date
\$0.85	522,000	522,000	October 13, 2017	October 13, 2022
\$0.98	130,000	130,000	June 6, 2018	June 6, 2023
\$1.00	400,000	400,000	July 24, 2018	July 24, 2023
\$1.10	250,000	250,000	November 1, 2018	November 1, 2023
\$1.00	100,000	100,000	January 3, 2019	January 3, 2024
\$0.33	423,480	423,480	June 18, 2019	June 18, 2024
\$0.50	975,000	975,000	January 6, 2020	January 6, 2025
\$0.52	1,176,399	1,176,399	February 26, 2021	February 26, 2026
\$0.50	2,018,000	2,018,000	November 1, 2021	November 1, 2026
\$0.66	150,000	150,000	December 1, 2021	December 1, 2026
	6,144,879	6,144,879		

On June 22, 2022, 180,000 options expired unexercised.

On June 30, 2022, 38,000 options were cancelled.

As of June 30, 2022, the weighted-average life of the options outstanding was 2.96 years (2021 – 2.24 years)

On March 18, 2022, the shareholders of the Company approved a new equity incentive plan within TSXV Policy 4.4 (the “Incentive Plan”). The Incentive Plan is a “rolling up to 10% and fixed up to 10% plan” which allows for the grant of the following equity-based compensation awards: (i) stock options of the Company; (ii) restricted share units of the Company; (iii) deferred share units of the Company; and (iv) performance share units of the Company.

The share-based compensation for the three and six-month periods ended June 30, 2022 was \$nil (2021 - \$nil and \$466,191).

9. Warrants

	Number of warrants
Balance at January 1, 2022	5,837,344
Warrants issued	650,000
Balance, June 30, 2022	6,487,344

As at June 30, 2022, the Company had the following warrants outstanding:

Exercise price		Number outstanding	Expiration date
\$0.70	(3)	835,714	February 13, 2023
\$1.00	(1)	529,000	December 11, 2022
\$0.30		1,000,000	September 14, 2022
\$0.40		999,999	January 26, 2023
\$0.55		520,000	April 9, 2023
\$0.50	(2)	31,200	April 9, 2023
\$0.40		1,221,431	July 14, 2023
\$0.40		700,000	November 12, 2023
\$0.40		650,000	June 29, 2024
		6,487,344	

WILTON RESOURCES INC.

Notes to the Interim Consolidated Financial Statements

For the three and six-month periods ended June 30, 2022 and 2021

Note (1): If at any time prior to the expiry of the purchase warrants the trading price of the Common Shares exceeds \$1.50 for a certain period of time, the Company may provide notice to the holder of the purchase warrants that the warrants will be subject to early expiry.

Note (2): These warrants were issued to agents as finder's warrants.

Note (3): The expiry date of these warrants was extended from February 13, 2022 to February 13, 2023.

As of June 30, 2022 the weighted average life of the warrants outstanding was 0.85 years (2021 – 1.02 years)

On January 24, 2022, the Company received TSXV approval to amend the term of 835,714 Common Share purchase warrants issued to subscribers as part of the Company's private placement financing which closed on February 13, 2019. The expiry date of such Warrants were extended from February 13, 2022 to February 13, 2023. All other terms of the Warrants remain the same. The fair value assigned to the revalued purchase warrants was \$123,849. The warrants were revalued using the Black-Scholes option pricing model based on the date of grant using the following assumptions:

Annualized volatility	66.63%
Dividend Yield	0%
Risk-free interest rate	1.51%
Expected option life	1 year

The warrants are not owned by, directly or indirectly, any of the Company's directors, officers or control persons.

10. Loss per share

The weighted average number of shares outstanding for the three and six-month periods ended June 30, 2022 was 63,672,405 and 63,668,853 (2021 – 60,686,143 and 60,778,583). For the three and six-month periods ended June 30, 2022 and 2021, the outstanding options, purchase and finders' warrants were excluded from the diluted loss per share calculation as the instruments were anti-dilutive.

11. Related Party Transactions

In 2014, the Company entered into an agreement with Rick Anderson, Chief Executive Officer and a Director, whereby the Company pays Mr. Anderson for office rental. During the three and six-month periods ended June 30, 2022, the Company recorded \$12,000 and \$24,000 as an expense for office rental (2021 - \$12,000 and \$24,000).

At June 30, 2022, Mr. Anderson owed the Company \$334,652 (December 31, 2021 - \$363,652). The June 30, 2022 amount represents an advance on operating expenses that will be drawn down as incurred on behalf of Wilton in addition to expenses reimbursed by the Company and repayment.

WILTON RESOURCES INC.**Notes to the Interim Consolidated Financial Statements****For the three and six-month periods ended June 30, 2022 and 2021**

12. Key Management Compensation

Key management includes CEO, CFO and Directors.

	For the three months ended June 30		For the six months ended June 30	
	2022	2021	2022	2021
Short-term Compensation	\$ 107,500	\$ 107,500	\$ 215,000	\$ 215,000
Stock-based Compensation	-	-	-	301,082
Total	\$ 107,500	\$ 107,500	\$ 215,000	\$ 516,082