

MX GOLD CORP.

Condensed Interim Financial Statements

Nine months ended September 30, 2024

Expressed in Canadian dollars

[Unaudited – prepared by management]

NOTICE OF NO AUDITOR REVIEW

Under National Instrument 51-102, Part 4, subsection 4.3(3), if an auditor has not performed a review of the condensed interim 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 financial statements of MX Gold Corp. (the "Company") have been prepared by and are the responsibility of the Company's management.

MX GOLD CORP.

Condensed Interim Statements of Financial Position
Expressed in Canadian Dollars

As at	September 30 2024	December 31 2023
	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	56,364	178,022
Marketable securities (Note 4)	9,000	25,000
Sales taxes receivables	2,617	2,836
Total current assets	67,981	205,858
Total assets	67,981	205,858
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	128,578	363,424
Due to related parties (Note 5)	1,101,698	1,010,198
Total current liabilities	1,230,276	1,373,622
EQUITY (DEFICIENCY)		
Share capital (Note 6)	38,989,194	38,989,194
Contributed surplus (Note 6)	3,983,931	3,983,931
Deficit	(44,135,420)	(44,140,889)
Total deficit	(1,162,295)	(1,167,764)
Total liabilities and deficit	67,981	205,858

On behalf of the Board:

"Dan Omeniuk"
Director

"Robert Jeffery"
Director

The accompanying notes are an integral part of these financial statements

MX GOLD CORP.

Condensed Interim Statements of Net Income (Loss) and Comprehensive Income (Loss)

Expressed in Canadian Dollars

	Three months ended September 30	Three months ended September 30	Nine months ended September 30	Nine months ended September 30
	2024	2023	2024	2023
	\$	\$	\$	\$
General and Administrative Expenses				
Professional, management and consulting fees	30,000	30,825	102,403	104,540
Insurance, office and miscellaneous	-	-	-	2,284
Investor relations and public company costs	2,425	2,487	8,051	10,130
Finance costs	469	345	1,213	1,073
	(32,894)	(33,657)	(111,667)	(118,027)
Other Items				
Revaluation on marketable securities	(17,000)	(9,000)	(16,000)	(1,000)
Interest Income	-	2,454	-	2,454
Write-off of accounts payable	-	-	133,136	-
Net income (loss) and comprehensive income (loss)	(49,894)	(40,203)	5,469	(116,574)
Basic and diluted gain (loss) per share	(0.00)	(0.00)	0.00	(0.00)
Weighted average number of common shares				
- basic and diluted	24,272,362	24,272,362	24,272,362	24,272,362

The accompanying notes are an integral part of these financial statements

MX GOLD CORP.

Condensed Interim Statements of Cash Flows
Expressed in Canadian Dollars

	Nine months ended September 30 2024	Nine months ended September 30 2023
	\$	\$
Cash flows from (used in)		
Operating activities		
Net Income (loss) for the period	5,469	(116,573)
Adjustments:		
Revaluation loss on marketable securities	16,000	1,000
	21,469	(115,573)
Changes in non-cash working capital:		
Sales taxes receivables	219	30,070
Prepaid expenses	-	2,284
Accounts payable and accrued liabilities	(234,846)	(11,554)
Due to related parties	91,500	94,500
Cash used in operating activities	(121,657)	(273)
Decrease in cash and cash equivalents	(121,657)	(273)
Cash and cash equivalents, beginning of year	178,022	202,533
Cash and cash equivalents, end of year	56,364	202,260

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MX GOLD CORP.

Condensed Interim Statements of Changes in Equity
Expressed in Canadian Dollars

	<u>Share Capital</u>		Contributed Surplus	Deficit	Total
	Number	Amount			
		\$	\$	\$	\$
Balance, December 31, 2022	24,272,362	38,989,194	3,983,931	(43,962,789)	(989,664)
Net loss and comprehensive loss	-	-	-	(116,573)	(116,573)
Balance, September 30, 2023	24,272,362	38,989,194	3,983,931	(44,079,362)	(1,106,237)
Net loss and comprehensive loss	-	-	-	(61,527)	(61,527)
Balance, December 31, 2023	24,272,362	38,989,194	3,983,931	(44,140,889)	(1,167,764)
Net income and comprehensive income	-	-	-	5,469	5,469
Balance, September 30, 2024	24,272,362	38,989,194	3,983,931	(44,135,420)	(1,162,295)

The accompanying notes are an integral part of these financial statements

MX GOLD CORP.

Notes to Condensed Interim Financial Statements

September 30, 2024

As expressed in Canadian dollars

[Unaudited – prepared by management]

1. Nature of Operations

The Company was incorporated on October 13, 1999 under the laws of British Columbia. The Company registered its operations in the Province of Manitoba under the operating name Winnipeg MX Gold. The head office and principal address of the Company is located at 1300 Redonda Street, Winnipeg, MB, R2C 3T7.

2. Statement of Compliance and Basis of Preparation

a) Statement of compliance

These condensed interim financial statements of the Company are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). The condensed interim financial statements do not include all the information and disclosures required in the Company's annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended December 31, 2023.

These financial statements were approved and authorized for issue by the Board of Directors on November 26, 2024.

b) Going concern

These condensed interim financial statements have been prepared on a going concern basis which contemplates that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

As at September 30, 2024 the Company had a working deficit of \$1,162,295, and used net cash in operating activities of \$121,657 for the nine months ended September 30, 2024.

The ability of the Company to carry out its business objectives is dependent on its ability to secure continued financial support from related parties, to obtain public equity financing, or to ultimately attain profitable operations in the future. Whether and when the Company can attain profitability and positive cash flows is uncertain. While the Company has been successful in securing financing in the past, there is no assurance that financing will be available in the future on terms acceptable to the Company.

These factors form a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern. These financial statements do not give effect to adjustments to the carrying value and classification of assets and liabilities and related expense that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption is not appropriate, material adjustments to the financial statements could be required.

c) Basis of measurement

The condensed interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value.

d) Functional and presentation currency

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

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Notes to Condensed Interim Financial Statements

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[Unaudited – prepared by management]

e) Use of estimates

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities and the reported amount of expenses for the periods reported. The estimates and associated assumptions are based on historical experience and various other factors that are considered to be relevant. Actual results could differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, and may change if new information becomes available. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

3. Significant Accounting Policies, Estimates and Judgments

The accounting policies applied in the preparation of the condensed interim financial statements have been applied consistently with those followed in the preparation of the Company's December 31, 2023 audited financial statements, except for the adoption of new standards and interpretations as of January 1, 2024.

Critical accounting judgments

Significant assumptions about the future and key sources of estimation uncertainty that management has made at the financial position 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 following

a) Going concern

Management has applied judgements in the assessment of the Company's ability to continue as a going concern when preparing its financial statements for the nine months ended September 30, 2024. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or to cease trading, or has no realistic alternative but to do so. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. Please refer to note 2(b) for additional information.

4. Marketable Securities

The following summary is a continuity table of marketable securities:

	Number of Shares	Amount \$
September 30, 2023	200,000	19,000
Change in fair value, unrealized revaluation loss	-	(10,000)
September 30, 2024	200,000	9,000

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[Unaudited – prepared by management]

5. Related Party Transactions

- a) Due to related parties

	September 30, 2024	December 31, 2023
	\$	\$
Due to companies controlled by an officer	1,101,698	1,010,198

- b) Key management compensation

Key management includes directors (executive and non-executive) and senior officers of the Company.

	September 30, 2024	December 31, 2022
	\$	\$
Professional, management and consulting fees	90,000	120,000

6. Share Capital

Authorized: Unlimited number of common shares with no par value.

- a) Issued and outstanding:

As at September 30, 2024, the Company had total issued and outstanding common shares of 24,272,362 (2023: 24,272,362).

- b) During the three months ended September 30, 2024 the Company had no share transactions.
- c) During the year ended December 31, 2023 the Company had no share transactions.
- d) The Company has a stock option plan whereby it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. The exercise price of each option granted under the plan is determined at the discretion of the Board. Options granted under the plan generally expire no later than the fifth anniversary of the date the options were granted and vesting provisions for issued options are determined at the discretion of the Board.

There were no stock options issued in 2024, 2023 or 2022.

The following weighted average assumptions used in the Black-Scholes model to determine the fair value of the options vested were as follows:

For the nine months ended September 30, 2024 the Company recorded a total of share-based compensation expense of \$Nil (2023: \$Nil) for the vesting of options in the statement of income (loss) and comprehensive income (loss).

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e) Warrants

A summary of warrant activities is as follows:

	Number of Warrants	Weighted Average Exercise Price
		\$
Balance, September 30, 2023	10,000,000	0.10
Expired	(10,000,000)	0.10
Balance, September 30, 2024	-	-

7. Financial Instruments

The Company classifies its fair value measurements in accordance with the three level fair value hierarchies as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - 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 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments include cash and cash equivalents, marketable securities, accounts payable and due to related parties. The carrying amounts of cash and cash equivalents, marketable securities, accounts payable and due to related parties approximate their fair values because of the short-term nature of these instruments.

The following table summarizes the carrying values of the Company's financial instruments:

	September 30, 2024	December 31, 2023
	\$	\$
Financial assets at FVTPL (i)	64,364	203,022
Other financial liabilities (ii)	1,230,276	1,373,622

(i) Cash and marketable securities

(ii) Accounts payable and due to related parties

The following table sets forth the Company's financial assets measured at fair value on a recurring basis by level within the fair value hierarchy as follows:

Cash and cash equivalents & Marketable securities	Level 1	Level 2	Level 3	Total
	\$	\$	\$	\$
As at September 30, 2024	65,364	-	-	65,364
As at December 31, 2023	203,022	-	-	203,022

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8. Financial Risk Management Objectives and Policies

The risks associated with financial instruments and the policies on how to mitigate these risks are set out below. Management monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

a) Credit risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's cash and cash equivalents and marketable securities are subject to credit risk for a maximum of the amounts shown on the condensed interim statements of financial position. The Company limits its exposure to credit risk on cash and cash equivalents and marketable securities by depositing only with reputable financial institutions.

b) 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's objective to managing liquidity risk is to ensure that it has sufficient liquidity available to meet its liabilities when due. The Company uses cash to settle its financial obligations as they fall due. The ability to do this relies on the Company maintaining sufficient cash on hand through debt or equity financing.

Significant commitments in years subsequent to September 30, 2024 are as follows:

	Carrying value	Contractual Cash flows	Within 1 year	1 - 5 Years
	\$	\$	\$	\$
Accounts payable and accrued liabilities	128,578	128,578	128,578	-
Due to related parties	1,101,698	1,101,698	1,101,698	-
	1,230,276	1,230,276	1,230,276	-

c) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's credit facilities bear a fixed interest rate; therefore, is not exposed to significant interest risk.

9. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to maintain flexible capital structure which optimizes the cost of capital within a framework of acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in the 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, issue new debt, and/or dispose of assets. To meet these objectives, the Company monitors its financial position on an ongoing basis.

The Company is dependent on the capital markets and debt as its source of operating capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects. There were no changes in the Company's approach to capital management during the year.

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10. Legal Actions

On November 26, 2021, Oberon Capital Corporation, Christopher Seip and John Budreski (the “Plaintiffs”) commenced an action by way of Notice of Civil Claim against the Company and its various current and former directors and officers. In the action, the Plaintiffs were seeking damages of \$600,000 against the Company for breaches of the indemnity provisions of the Subscription Agreement (pursuant to which in 2016 the Plaintiffs purchased shares in the Company). The Company settled the matter with the indemnified shareholders by way of a release and settlement agreement signed on August 24, 2022, for a cash amount of \$250,000 resulting in a gain on settlement of \$350,000 which is recorded in other income.