BENZ MINING CORP.

Condensed Interim Financial Statements

For the Six-Month Periods Ended October 31, 2022 and 2021

(Expressed in Canadian dollars - Unaudited)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed interim financial statements of Benz Mining Corp. (the “Company”) have been prepared by and are the responsibility of the Company’s management.

In accordance with National Instrument 51-102, the Company discloses that its independent auditor has not performed a review of these unaudited condensed interim financial statements.

Benz Mining Corp.

Condensed Interim Statements of Operations and Comprehensive Loss (unaudited)

	Note	Three-month periods ended October 31, 2022	Three-month periods ended October 31, 2021	Six-month periods ended October 31, 2022	Six-month periods ended October 31, 2021
Operating Costs					
Exploration and evaluation costs	4	$ 383,532	$ 4,438,172	$ 1,413,928	$ 9,215,506
Listing and filing fees		$ 13,378	$ 18,381	53,470	$ 61,883
Management and consulting fees	5	$ 203,279	$ 219,650	390,187	$ 391,163
Office and miscellaneous		$ 71,273	$ 28,983	117,417	$ 55,103
Professional fees		$ 20,809	$ 31,299	43,288	$ 67,577
Share-based payments	7	$ -	$ -	-	$ 1,896
Shareholder information		$ 25,706	$ 37,547	48,665	$ 55,901
Loss from operations		(717,977)	(4,774,032)	(2,066,955)	(9,849,029)
Other income (expense)					
Foreign exchange		$ 31,483	$ 14,636	29,296	$ (29,382)
Interest Income		$ 3,058	$ 5,553	5,792	$ 12,824
Settlement of flow-through share premium liability	6	$ 124,688	$ 1,551,434	124,688	$ 3,269,066
Net loss and comprehensive loss		$ (558,748)	$ (3,202,409)	$ (1,907,179)	$ (6,596,521)
Loss per share - basic and diluted		$ -	$ (0.03)	$ (0.02)	$ (0.06)
Weighted average number of shares outstanding - basic and diluted		118,145,897	105,506,129	114,340,495	102,494,725

Going concern uncertainty (Note 1)

See accompanying notes to the condensed interim financial statements

	Note		October 31, 2022		April 30, 2022
ASSETS					
Current Assets					
Cash and cash equivalents		$	10,848,370	$	2,782,026
Sales taxes recoverable			101,188	$	1,225,057
Other receivables	3		60,013	$	168,885
Prepaid expenses and deposits			56,889	$	56,000
Total current assets			11,066,460		4,231,968
Exploration and evaluation assets	4		2,136,667	$	1,826,667
Total assets		$	13,203,127	$	6,058,635
LIABILITIES					
Current Liabilities					
Trade and other payables		$	277,582	$	2,544,545
Flow-through share premium liability	6		4,887,760	$	-
Total current liabilities			5,165,342		2,544,545
EQUITY					
Common shares	7	$	30,104,610	$	23,648,836
Equity reserves	7		5,923,422	$	8,863,788
Deficit			(27,990,247)	$	(28,998,534)
Total equity			8,037,785		3,514,090
		$	13,203,127	$	6,058,635

Nature of Operations (Note 1)
Going concern uncertainty (Note 1)

These financial statements were authorized for issue by the Board of Directors on December 23, 2022

Approved by the Board of Directors:

(Signed) Evan Cranston
Evan Cranston, Chairman of the Board

(Signed) Mathew O'Hara
Mathew O'Hara, Director

See accompanying notes to the condensed interim financial statements

Benz Mining Corp.

Condensed Interim Statements of Cash Flows (unaudited)

	Note	Three-month periods ended October 31, 2022	2021	Six-month periods ended October 31, 2022	2021
Cash Flow from Operating Activities					
Net loss for the year		$ (558,748)	$ (3,202,409)	$ (1,907,179)	$ (6,596,521)
Adjustments for non-cash items:					
Share based payments	7	$ -	$ -	-	$ 1,896
Settlement of flow-through share liability	6	$ (124,688)	$ (1,551,434)	(124,688)	$ (3,269,066)
Changes in non-cash working capital:					
Sales taxes recoverable		$ 64,593	$ (830,049)	1,123,869	$ (790,559)
Other receivables	3	$ 64,989	$ (116,184)	108,872	$ (116,184)
Prepaid expenses and deposits		$ 13,956	$ 14,570	(889)	$ 1,309
Trade and other payables		$ (202,459)	$ (423,623)	(2,266,963)	$ 959,092
Net cash flows used in operating activities		$ (742,357)	$ (6,109,129)	$ (3,066,978)	$ (9,810,033)
Cash Flow from Investing Activities					
Additions to exploration and evaluation assets	4	$ (310,000)	$ (160,764)	(310,000)	$ (160,764)
Net cash flows used in investing activities		$ (310,000)	$ (160,764)	$ (310,000)	$ (160,764)
Cash Flow from Financing Activities					
Issuance of common shares for cash, net of costs	7	$ 11,347,322	$ 9,731,608	$ 11,347,322	$ 9,731,608
Proceeds from exercise of warrants	7	$ 36,000	$ 121,000	96,000	$ 172,000
Proceeds from the exercise of options	7	$ -	$ 21,450	-	$ 21,450
Net cash flows provided by financing activities		$ 11,383,322	$ 9,874,058	$ 11,443,322	$ 9,925,058
Net change in cash and cash equivalents		$ 10,330,965	3,604,165	$ 8,066,344	$ (45,739)
Cash and Cash Equivalents, Beginning of Period		$ 517,405	9,494,863	2,782,026	$ 13,144,767
Cash and Cash Equivalents, End of Period		$ 10,848,370	$ 13,099,028	$ 10,848,370	$ 13,099,028
Cash and cash equivalents consist of:					
Cash		$ 10,809,370	$ 13,074,028	$ 10,809,370	$ 13,074,028
Redeemable guaranteed investment certificate ("GIC")		39,000	25,000	39,000	$ 25,000
Total Cash and Cash Equivalents		$ 10,848,370	$ 13,099,028	$ 10,848,370	$ 13,099,028

Going concern uncertainty (Note 1)

See accompanying notes to the condensed interim financial statements

	Note	Common Shares Number	Common Shares Amount	Equity Reserves	Deficit	Total Equity
Balance, April 30, 2021		**98,938,756**	**$ 18,285,495**	**$ 8,648,770**	**$ (16,361,787)**	**$ 10,572,478**
Common shares issued for cash:						
Private placement	6	9,090,909	10,000,000	-	-	10,000,000
Share issuance costs	6	-	(592,230)	323,838		(268,392)
Premium on flow-through shares	5	-	(3,727,273)	-	-	(3,727,273)
Exercise of warrants	6	1,225,000	257,582	(85,582)	-	172,000
Exercise of options	6	145,000	39,686	(18,236)	-	21,450
Shares issued for exploration and evaluation assets	3	174,658	110,000	-	-	110,000
Share based payments	6	-	-	1,896	-	1,896
Net loss for the year		-	-	-	(6,596,521)	(6,596,521)
Balance, October 31, 2021		**109,574,323**	**$ 24,373,260**	**$ 8,870,686**	**$ (22,958,308)**	**$ 10,285,638**
Balance, April 30, 2022		**110,100,310**	**23,648,836**	**8,863,788**	**(28,998,534)**	**3,514,090**
Common shares issued for cash:						
Private placement	6	16,434,000	11,914,728	-	-	11,914,728
Share issuance costs	6	-	(567,406)	-		(567,406)
Premium on flow-through shares	5	-	(5,012,448)	-	-	(5,012,448)
Exercise of warrants	7	800,000	120,900	(24,900)	-	96,000
Expiry of warrants	7	-	-	(2,915,466)	2,915,466	-
Net loss for the year		-	-	-	(1,907,179)	(1,907,179)
Balance, October 31, 2022		**127,334,310**	**30,104,610**	**5,923,422**	**(27,990,247)**	**8,037,785**

Going concern uncertainty (Note 1)

See accompanying notes to the condensed interim financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY

Benz Mining Corp. (“Benz” or the “Company”) is involved in the acquisition, exploration and exploitation of mineral properties located in the Americas. The Company’s head and registered offices are located at Suite 1700, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. The Company’s common shares are traded on the TSX-V and ASX Exchanges.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from the novel coronavirus (“COVID-19”). While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, financial performance, financial position and cash flows in fiscal year 2023.

Going Concern Uncertainty

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its obligations in the normal course of operations. 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. The use of these principles may not be appropriate.

To date, the Company has not earned significant revenues and is considered to be in the exploration phase. The investment in, and expenditures on, exploration and evaluation assets comprise a significant portion of the Company’s activities. Mineral exploration and development is highly speculative and involves inherent risks.

The Company’s current committed cash resources are insufficient to cover expected expenditures for the next 12 months. The Company’s ability to continue as a going concern is dependent on being able to obtain the necessary financing to satisfy its liabilities as they become due. There can be no assurance that management will be successful in securing adequate financing. In addition, while the Company’s future activities in relation to drilling on its mineral claims look promising, there can be no assurance that the results of its exploration activities will confirm the existence of economically viable quantities of ore or that the project will ultimately go into production.

The Company reported a net loss and total comprehensive loss in the six-month period ended October 31, 2022 of $1,907,179 (year ended April 30, 2022 loss of $12,636,747). As at October 31, 2022, the Company’s current assets exceed its current liabilities by $5,901,118 (April 30, 2022 – $1,687,423) but its planned expenditures for 2022/23 and 2023/24 exceeds the value of working capital currently on hand. These recurring losses and the need for continued financing to further successful exploration activities indicate the existence of a material uncertainty that may cast significant doubt as to the Company’s ability to continue as a going concern.

These condensed interim financial statements do not give effect to any adjustments to the carrying values and classifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

These unaudited condensed interim financial statements ("Financial Statements") of the Company have been prepared in accordance with International Accounting Standard ("IAS") 34, "Interim Financial Reporting" following acceptable accounting policies under International Financial Reporting Standards ("IFRS"). As a result, these Financial Statements should be read in conjunction with the Company's audited financial statements for the year ended April 30, 2022.

These Financial Statements have been prepared on an accruals basis and are based on historical costs, except for certain financial instruments classified as financial instruments at fair value through profit or loss. All amounts are presented in Canadian dollars unless otherwise noted.

Estimates and judgements are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates. In preparing the Financial Statements, the judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited consolidated financial statements as at and for the year ended April 30, 2022.

3. OTHER RECEIVABLES

Other receivables as at October 31, and April 30, 2022 were as follows:

		October 31, 2022		**April 30, 2022**
Expenditures recoverable from third parties	$	116,184	$	116,184
Amounts refundable from suppliers		60,013		168,885
Total other receivables		176,197		285,069
Less provision for doubtful debts		(116,184)		(116,184)
	$	60,013	$	168,885

4. EXPLORATION AND EVALUATION ASSETS

The Company has accumulated the following acquisition expenditures:

	Eastmain Property	Windy Mountain Property	Total
Balance, April 30, 2021	$ 1,555,903	$ -	$ 1,555,903
Acquisition costs – issuance of shares	110,000	-	110,000
Acquisition costs – cash	150,000	10,764	160,764
Balance, April 30, 2022	**$ 1,815,903**	**$ 10,764**	**$ 1,826,667**
Acquisition costs – cash	310,000	-	310,000
Balance, October 31, 2022	**$ 2,125,903**	**$ 10,764**	**$ 2,136,667**

During the six-month periods ended October 31, 2022 and 2021 exploration and evaluation expenditures, recorded in the statements of operations and comprehensive loss, consisted of the following:

	October 31, 2022	October 31, 2021
Eastmain: Geology	422,629	863,226
Eastmain: Location/camp services	242,948	1,343,360
Eastmain: Drilling	326,154	5,313,694
Eastmain: Geochemical analysis	230,338	980,305
Eastmain: Geophysics	72,095	447,280
Eastmain: Environment	13,149	22,084
Eastmain: Health & safety	29,102	202,268
Eastmain: Property Maintenance	77,513	43.289
Total exploration and evaluation costs	**1,413,928**	**9,215,506**

5. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are measured at the estimated fair values of the services provided or goods received. Related party transactions not disclosed elsewhere in these Financial Statements are as follows:

a) Key Management Compensation

Key management personnel include the members of the Board of Directors and officers of the Company, who have the authority and responsibility for planning, directing, and controlling the activities of the Company. The remuneration of directors and officers for three and six-month periods ended October 31, 2022 and 2021 was as follows:

	Three-months ended		Six-months ended	
	October 31, 2022	**October 31, 2021**	**October 31, 2022**	**October 31, 2021**
Salaries, bonuses, fees and benefits				
Management fees to the officers and directors of the Company	$ 206,638	$ 250,123	$ 407,811	$ 479,590
Share-based payments				
Officers and directors of the Company	-	-	-	-
	$ 206,638	$ 250,123	$ 407,811	$ 479,590

b) In the normal course of operations, the Company transacts with companies related to its directors or officers. The following amounts are payable to related parties, and are included in trade and other payables:

	October 31, 2022	April 30, 2022
Management fees	$ 89,610	$ 73,206

6. FLOW-THROUGH SHARE LIABILITY

The following is a continuity schedule of the liability portion of the flow-through share issuances.

Balance, April 30, 2021	**$**	**3,359,099**
Liability incurred on flow-through shares issued (August 2021)		4,454,545
Settlement of flow-through liability upon incurring exploration expenditures		(7,813,644)
Balance, April 30, 2022	**$**	**-**
Liability incurred on flow-through shares issued (September 2022)		5,012,448
Settlement of flow-through liability upon incurring exploration expenditures		(124,688)
Balance, October 31, 2022	**$**	**4,887,760**

7. SHARE CAPITAL

a) Authorized: Unlimited common shares, without par value
Unlimited preferred shares, without par value

b) Issued: During the six-month period ended October 31, 2022

On September 21, 2022, the Company completed a private placement (the “Private Placement”) of 16,434,000 common shares in the capital of the Company, consisting of (i) 7,929,317 charity flow-through common shares issued at a price of C$0.883 per Share and 3,945,813 flow through common shares issued at a price of $0.76 per Share (collectively, the “FT Shares”), and (ii) 4,558,870 non-flow-through common shares (the “HD Shares”) at a price of $0.42 per HD Share for aggregate gross proceeds of $11,914,728.

The gross proceeds received by the Company from the sale of the FT Shares will be used to incur eligible “Canadian Exploration Expenses” within the meaning of the *Income Tax Act* (Canada) (the Tax Act), of which: (i) 7,929,317 FT Shares issued at a price of $0.883 per Share will be used to incur Canadian Exploration Expenses that qualify for the federal 30% Critical Mineral Exploration Tax Credit announced in the federal budget on April 7, 2022 and; (ii) 3,945,813 FT Shares issued at a price of $0.76 per Share will be used to incur eligible Canadian Exploration Expenses that qualify as “flow through mining expenditures” within the meaning of the Tax Act.

In connection with the completion of the Private Placement, the Company paid a cash commission in the amount of A$465,413 ($414,851), and other professional fees totaling $152,555. In addition, the Company agreed to issue 1,400,000 compensation warrants (also known as ‘broker options’), each exercisable to acquire one common share of the Company at a price of C$0.63 exercisable for a period of three years (the ‘2022 Compensation Warrants’). The 2022 Compensation Warrants were issued on December 21, 2022, following the Company obtaining shareholder approval of the issuance (refer note 10).

During the six-month period ended October 31, 2022, the Company issued 800,000 shares on the exercise of warrants for proceeds of $96,000. The fair value of these warrants, totaling $24,900, was transferred to share capital from reserves.

Escrow Shares

As at October 31, 2022 and 2021, an amount of 222,857 common shares are being held in escrow subject to an escrow agreement with Tusk Exploration Ltd. These shares continue to be held due to unmet contractual obligations.

c) Issued: During the six-month period ended October 31, 2021

On August 31, 2021, the Company announced the completion of a non-brokered private placement of 9,090,909 common shares issued on a flow-through basis (the "2021 FT shares") at a price of $1.10 per share for gross proceeds of up to $10,000,000. The Company incurred share issuance costs of $268,392 in the form of finders' fees and professional fees in addition to issuing compensation warrants valued at $323,838.

On October 22, 2021 the Company issued 174,658 common shares pursuant to the terms of the Eastmain option agreement (see Note 3) with a value of $110,000.

During the six-month period ended October 31, 2021, the Company issued 1,225,000 shares on the exercise of warrants for proceeds of $172,000. The fair value of these warrants, totaling $85,582, was transferred to share capital from reserves.

During the six-month period ended October 31, 2021, the Company issued 145,000 shares on the exercise of options for proceeds of $21,450. The fair value of these options, totaling $18,236, was transferred to share capital from reserves.

d) Share purchase warrants

A summary of changes in share purchase warrants is as follows:

	Underlying Shares	Weighted Average Exercise Price	
Balance, April 30, 2021	46,609,776	$	0.28
Issued	909,090		0.65
Exercised	(1,225,000)		0.14
Balance, October 31, 2021	**46,293,866**	**$**	**0.29**
Balance, April 30, 2022	44,865,039	$	0.28
Expired	(7,628,571)		1.00
Exercised	(800,000)		0.12
Balance, October 31, 2022	**36,436,468**	**$**	**0.13**

No warrants were issued during the three or six-month periods ended October 31, 2022.

Pursuant to the August 2021 private placement of 9,090,909 flow-through shares, the Company paid finders' fees consisting of a cash payment in the aggregate amount of $268,392 and the issue of 909,090 compensation warrants with a fair value of $328,838. Each compensation warrant is exercisable at a price of $0.65 until August 31, 2023 and entitles the holder to purchase one common share of the Company.

Warrants outstanding as at October 31, 2022 and April 30, 2022, are:

Expiry Date	Exercise Price per Share	Outstanding and Exercisable October 31, 2022	Outstanding and Exercisable April 30, 2022
October 29, 2022	$1.00	-	7,628,571
April 27, 2023	$0.12	25,591,013	26,391,013
June 1, 2023	$0.17	10,845,455	10,845,455
		36,436,468	**44,865,039**

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e) Compensation Units and Warrants

No compensation units or compensation warrants were issued or exercised during the three or six-month periods ended October 31, 2022 and 2021 (refer also to note 10).

Compensation units and warrants outstanding as at October 31, and April 30, 2022, are:

Expiry Date	Exercise Price per Share/Unit	Outstanding and Exercisable October 31, 2022	Outstanding and Exercisable April 30, 2022
April 27, 2023	$0.076	2,115,652	2,115,652
June 1, 2023	$0.17	1,440,000	1,440,000
August 31, 2023	$0.65	909,090	909,090
		4,464,742	**4,464,742**

f) Stock options

A summary of changes in stock options during the three and six-month periods ended October 31, 2022 and 2021 is as follows:

	Underlying Shares	Weighted Average Exercise Price
Stock options outstanding, April 30, 2021	7,457,213	$0.41
Exercised	(145,000)	$0.15
Stock options outstanding, October 31, 2021	**7,312,213**	**$0.42**
Stock options exercisable, October 31, 2021	**7,312,213**	**$0.42**
Stock options outstanding, April 30, 2022	7,305,963	$0.42
Stock options outstanding, October 31, 2022	**7,305,963**	**$0.42**
Stock options exercisable, October 31, 2022	**7,305,963**	**$0.42**

No stock options were granted, exercised or cancelled during the three or six-month periods ended October 31, 2022.

During the six months ended October 31, 2021, 145,000 stock options were exercised for proceeds of $21,450.

A summary of stock options outstanding as at October 31, 2022, is as follows:

Number of Stock Options Outstanding	Number of Stock Options Exercisable	Exercise Price	Weighted Average Remaining Contractual Life (in years)	Intrinsic Value	Expiry Date
9,713	9,713	$3.00	2.22	$0.00	January 18, 2025
131,250	131,250	$0.265	4.84	$0.16	August 31, 2027
70,000	70,000	$0.076	2.34	$0.34	March 3, 2025
2,100,000	2,100,000	$0.12	2.49	$0.30	April 27, 2025
1,095,000	1,095,000	$0.21	2.59	$0.21	June 1, 2025
3,900,000	3,900,000	$0.64	0.92	$0.00	October 2, 2023
7,305,963	**7,305,963**		**1.71**		

8. 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 pursue the exploration and development of its properties and to maintain a flexible capital structure for its projects for the benefit of its stakeholders. In the management of capital, the Company includes the components of shareholders' equity.

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 or adjust the amount of cash and cash equivalents. Management reviews the capital structure on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

The Company is not subject to externally imposed capital requirements. There were no changes to the Company's capital management during the three-month period ended October 31, 2022.

9. FINANCIAL INSTRUMENTS AND RISK

The Company's financial instruments consist of cash and cash equivalents, and trade and other payables. The fair value of the financial instruments approximates their carrying values, unless otherwise noted.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

a) Credit risk

The Company's credit risk is mainly attributable to its liquid financial assets: cash and cash equivalents. The Company deposits cash with high credit quality financial institutions and credit risk is considered to be minimal. The Company's maximum exposure to credit risk is $10,848,370 which is the carrying value of the Company's cash and cash equivalents at October 31, 2022.

b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at October 31, 2022, the Company had available a cash and cash equivalents balance of $10,848,370 (April 30, 2022 - $2,782,026) to settle current liabilities of $5,165,342 (April 30, 2022 - $2,544,545).

c) Foreign exchange risk

Foreign exchange risk is the risk that the Company's financial instruments will fluctuate in value as a result of movements in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at October 31, 2022, the Company is exposed to currency risk as some transactions and balances are denominated in Australian dollars. As at October 31, 2022, a 10% change of the Canadian dollar relative to the Australian dollar would have net financial impact of approximately $117,000 (April 30, 2022 - $21,000). The Company does not use derivative instruments to hedge exposure to foreign exchange rate risk.

10. SUBSEQUENT EVENTS

On November 11, 2022, the Company issued 380,000 shares following the exercise of warrants ($0.12 each) for proceeds of $45,600.

On December 21, 2022, having obtained approval from shareholders at its Annual General Meeting held on in December 14, 2022, the Company issued the 2022 Compensation Warrants associated with the September 21, 2022 Private Placement (refer note 7). Each of the 1,400,000 warrants issued is exercisable to acquire one common share of the Company at a price of $0.63 for a period of three years. The fair value of the 2022 Compensation Warrants was estimated using Black Scholes Option Pricing model at $390,760 using the following assumptions:

	Compensation Warrants December 21, 2022
Weighted average assumptions:	
Risk-free interest rate	3.40%
Expected dividend yield	$0.00
Expected option life (years)	3
Expected stock price volatility	118%
Weighted average fair value at measurement date	$0.28