Stinger Resources Inc.
Consolidated Financial Statements
March 31, 2024
(Unaudited – prepared by management)
(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF 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 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 interim financial statements of Stinger Resources Inc. (the "Company") have been prepared by and are the responsibility of the Company's management.

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

Stinger Resources Inc.

Consolidated Statements of Financial Position

As at March 31, 2024 and December 31, 2023

(unaudited – prepared by management)
(expressed in Canadian dollars)

	2024 $	2023 $
Assets		
Current assets		
Cash	466,547	898,519
Prepaid expenses and deposits (note 4)	59,738	12,989
Receivables (note 5)	36,628	63,784
Note receivable	200,000	-
Marketable securities (note 6)	1,260,450	1,330,475
	2,023,363	2,305,767
Prepaid expense (notes 4 and 11)	1,100,000	1,100,000
Property and equipment (note 7)	410,231	425,755
Exploration and evaluation assets (notes 8 and 15)	3,987,414	3,987,414
	7,521,008	7,818,936
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	86,418	80,539
	86,418	80,539
Shareholders' Equity		
Share capital (note 10)	13,599,079	13,599,079
Reserves (note 10)	217,609	191,109
Deficit	(6,382,098)	(6,051,791)
	7,434,590	7,738,397
	7,521,008	7,818,936

Going concern (note 1)
Commitments (note 15)
Event after the reporting period (note 17)

See accompanying notes to these unaudited consolidated financial statements.

Approved by the Board of Directors

"Darren R. Blaney" Director *"Robert N. Edwards"* Director

Stinger Resources Inc.

Consolidated Statements of Loss and Comprehensive Loss

For the three-month periods ended March 31,

(unaudited – prepared by management)
(expressed in Canadian dollars)

	2024 $	2023 $
Expenses		
Advertising and promotion	15,479	6,523
Business development and property investigation	24,321	26,641
Corporate communications	257	185
Depreciation on equipment (note 7)	16,728	18,340
Filing and transfer agent fees	33,345	30,463
Management fees (note 11)	111,395	108,150
Office and administration	32,063	15,574
Professional fees	194	-
Stock-based compensation	26,500	-
	(260,282)	(205,876)
Other		
(Loss) Gain on investment value (note 6)	(70,025)	238,085
Impairment of exploration and evaluation asset (note 8)	-	-
Net and Comprehensive loss	(330,307)	32,209
Basic and diluted loss per common share	(0.01)	(0.00)
Basic and diluted weighted average number of common shares outstanding	49,647,742	49,647,742

See accompanying notes to these unaudited consolidated financial statements.

Stinger Resources Inc.

Consolidated Statements of Changes in Equity

For the periods ended March 31,

(unaudited – prepared by management)
(expressed in Canadian dollars)

	Share capital		Reserve		
	Number of shares	Amount $	Share-based payment reserve $	Deficit $	Equity $
Balance as at January 1, 2024	49,647,743	13,599,079	191,109	(6,051,791)	7,738,397
Shares issued:					
Valuation of options granted (note 10)			26,500		
Net and comprehensive loss	-	-	-	(330,307)	(330,307)
Balance as at March 31, 2024	49,647,743	13,599,079	217,609	(6,382,098)	8,068,704
Balance as at January 1, 2023	49,647,743	13,599,079	191,109	(4,889,510)	8,900,678
Net and comprehensive loss	-	-	-	32,209	32,209
Balance as at March 31, 2023	49,647,743	13,599,079	191,109	(4,857,301)	8,932,887

See accompanying notes to these consolidated financial statements.

Stinger Resources Inc.

Consolidated Statements of Cash Flows

For the three-month periods ended March 31,

(unaudited – prepared by management)

(expressed in Canadian dollars)

	2024 $	2023 $
Operating activities		
Net loss	(330,307)	32,209
Items not affecting cash		
Depreciation on property and equipment	16,728	18,340
Gain on disposal of asset	-	-
Impairment of exploration and evaluation asset	-	-
Loss on investment value	70,025	(238,085)
Stock-based compensation	26,500	-
	(217,054)	(187,536)
Changes in non-cash working capital		
Prepaid expenses and deposits	(46,749)	(170,089)
Receivables	27,156	1,390
Accounts payable and accrued liabilities	5,879	(16,346)
Cash used in operating activities	(230,768)	(372,581)
Investing activities		
Expenditures of exploration and evaluation assets	-	-
Mining exploration tax credit received	-	-
Prepayment of exploration and evaluation assets	-	-
Expenditures on property and equipment	(1,204)	-
Short-term loan	(200,000)	-
Cash used in investing activities	(201,204)	-
Decrease in cash	(431,972)	(372,581)
Cash – beginning	898,519	1,664,918
Cash – ending	466,547	1,292,337

See accompanying notes to these consolidated financial statements.

1 Nature of operations and going concern

Stinger Resources Inc. (the "Company") was incorporated under the British Columbia Business Corporations Act on September 22, 2020. The Company is engaged in the exploration and development of mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The Company's shares are listed on the TSX Venture Exchange.

The head office and principal address of the Company is 92 – 2nd Avenue W, Cardston, AB, Canada, T0K 0K0. The Company's registered address and records office is 890 W Pender Street, Vancouver, British Columbia, Canada, V6C 1J8.

The Company's shares are listed on the TSX Venture Exchange under the ticker symbol "STNG".

The Company was formed for the primary purpose of completing a Plan of Arrangement with the Company's former parent company, American Creek Resources Ltd. ("American Creek").

Going concern

These consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") as they apply to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. The Company is in the exploration stage and has not generated revenue from operations. The Company generated a net loss of $330,307 during the period ended March 31, 2024 (2023 – income $32,209), generated negative cash flows from operating activities of $230,768 (2023 – $372,581) and, as of that date the Company's deficit was $6,382,098 (2023 – $4,857,301) and working capital was $1,936,945 (2023 – $2,225,228). As the Company is in the exploration stage, the recoverability of the costs incurred to date on exploration properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern, and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

In recognition of these circumstances, as funding is required, management will pursue various financial alternatives to fund the Company's exploration and development programs, including private placements, property or investment dispositions and settling payables for shares, so it can continue as a going concern. There is no assurance that these initiatives will be successful at that time.

1 Nature of operations and going concern (continued)

These consolidated financial statements do not reflect the adjustments to the carrying values and classifications of assets and liabilities, or to the reported expenses that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2 Basis of preparation

These consolidated financial statements have been prepared in accordance with the IFRS as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC").

These interim unaudited condensed financial statements do not include all of the information required for full annual financial statements and are intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this unaudited condensed interim financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2023. The effects of the adoption of new and amended IFRS pronouncements have been disclosed below in these condensed interim financial statements.

The accounting policies and methods of application applied by the Company in these condensed interim financial statements are the same as those applied in the Company's most recent annual financial statements for the year ended December 31, 2023.

These consolidated financial statements were approved for issuance by the Company's board of directors ("Board") on May 23, 2024.

These consolidated financial statements have been prepared on a historical cost basis except as disclosed in the material accounting policies in note 3. They are presented in Canadian dollars which is the Company's functional currency.

3 Material accounting policy information

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, except as disclosed under the Standards, Amendments and Interpretations Not Yet Effective.

New Standards, Amendments and Interpretations

There are no accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

(expressed in Canadian dollars)

4 Prepaid expense and deposits

The prepaid expenses for the Company are comprised of the following:

	2024 $	2023 $
Insurance prepaid	16,005	12,989
Management fee (note 11)	42,324	-
Vendor prepayments	1,409	-
	59,738	12,989
Exploration prepaid (note 11)	1,100,000	1,100,000

During the period ended March 31, 2024, the Company made $42,324 prepayments (2023: $Nil) to a related entity controlled by a director of the Company for future drilling services. The amount is recoverable through receiving future drilling services.

5 Receivables

The receivables of the Company are comprised of the following:

	2024 $	2023 $
Goods and service tax receivable	36,628	58,289
Other receivable – reimbursable credit card charges	-	5,495
	36,628	63,784

6 Marketable securities

On February 25, 2021, the Company received 1,400,499 common shares of Tudor Gold Corp ("Tudor Shares") with a fair value of $4,453,587 pursuant to a Plan of Arrangement.

At March 31, 2024, the shares had decreased in value to $0.90 (2023 - $1.21) per share to a total fair value of $1,260,449 (2023 - $1,694,604) resulting in an unrealized loss of $70,025 (2023 – gain $238,085).

(expressed in Canadian dollars)

7 Property and equipment

	Computer equipment $	Exploration equipment $	Furniture and fixtures $	Vehicles $	Land and Buildings $	Total $
Cost – December 31, 2022	22,298	209,255	16,621	259,620	284,500	792,294
Disposal	1,678	46,607	-	-	-	48,285
Cost – December 31, 2023	23,976	255,862	16,621	259,620	284,500	840,579
Additions	-	1,204	-	-	-	1,204
Cost – March 31, 2024	23,976	257,066	16,621	259,620	284,500	841,783
Accumulated depreciation – December 31, 2022	11,776	117,402	13,879	155,501	37,260	335,818
Additions	3,367	32,993	548	31,236	10,862	79,006
Accumulated depreciation – December 31, 2023	15,143	150,395	14,427	186,737	48,122	414,824
Additions	662	7,910	110	5,466	2,580	16,728
Accumulated depreciation – March 31, 2024	15,805	158,305	14,537	192,203	50,702	431,552
Net carrying amounts – December 31, 2023	8,833	105,467	2,194	72,883	236,378	425,755
March 31, 2024	8,171	98,761	2,084	67,417	233,798	410,231

8 Exploration and evaluation assets

As at March 31, 2024, the Company's exploration and evaluation assets are located in British Columbia, Canada. Expenditures incurred on exploration and evaluation assets are as follows:

	Gold Hill, B.C., Canada $	Dunwell, B.C., Canada $	Ample Goldmax, B.C., Canada $	Other Properties, B.C. Canada $	Total $
Acquisition costs – December 31, 2023 and March 31, 2024	336,100	803,475	227,500	288,000	1,655,075
Exploration costs – December 31, 2023	467,927	1,708,126	100,274	56,012	2,332,339
Additions	-	-	-	-	-
BC METC offset	-	-	-	-	-
Exploration costs – March 31, 2024	467,927	1,708,126	100,274	56,012	2,332,339
Total March 31, 2024	804,027	2,511,601	327,774	344,012	3,987,414

(expressed in Canadian dollars)

8 Exploration and evaluation assets

As at December 31, 2023, the Company's exploration and evaluation assets are located in British Columbia, Canada. Expenditures incurred on exploration and evaluation assets are as follows:

	Gold Hill, B.C., Canada $	**Dunwell, B.C., Canada $**	**Ample Goldmax, B.C., Canada $**	**Other Properties, B.C. Canada $**	**Total $**
Acquisition costs – December 31, 2022 and 2023	336,100	803,475	227,500	288,000	1,655,075
Exploration costs – December 31, 2022	467,927	1,867,687	95,790	50,299	2,481,703
Additions	-	2,631	4,484	5,713	12,828
BC METC offset	-	(162,192)	-	-	(162,192)
Exploration costs – December 31, 2023	467,927	1,708,126	100,274	56,012	2,332,339
Total December 31, 2023	804,027	2,511,601	327,774	344,012	3,987,414

Gold Hill Property, British Columbia, Canada

The Gold Hill property is located near Fort Steele, British Columbia. The Company owns 100% interest in the property.

The Company incurred exploration costs on the property to date of $nil (2023 - $Nil) on the property.

Dunwell Property, British Columbia, Canada

The Dunwell property is located near Stewart, British Columbia. The Company owns 100% interest in the property.

The Company incurred exploration costs on the property to date of $Nil (2023 – ($2,631) and received mining exploration tax credits in the amount of $Nil (2023 - $162,192).

Ample Goldmax Property, British Columbia, Canada

The Ample Goldmax property located near Lillooet, British Columbia and is subject to an option agreement to earn 100% interest (note 15). The Ample Goldmax claims are subject to a 25% net profit royalty associated with any bulk sample as defined in the agreement. The Company paid a cash payment under the option agreement of $10,000 in 2022 and incurred exploration costs on the property in the current period to date of $Nil (2023 - $4,484).

(expressed in Canadian dollars)

8 Exploration and evaluation assets (continued)

Other Properties, British Columbia, Canada

The Silverside Property is located near Clearwater, British Columbia. The Glitter King Property is located on Pitt Island, British Columbia. These properties are under separate option agreements (note 15) to acquire 100% interest subject to a 3% Net Smelter Royalty ("NSR") royalty interest that can be purchased for $500,000 for each 1% interest purchased.

The Company made a cash payment under the option agreement in 2022 of $5,000 per property and incurred combined exploration costs on the properties in the current period of $Nil (2023 - $5,713).

The Company owned 100% of the D-1 McBride Property located near Dease Lake, British Columbia but considered the property impaired and allowed the property to lapse in 2022. Capitalized exploration and evaluation costs in the amount of $6,513 were expensed.

9 Accounts payable and accrued liabilities

Accounts payable and accrued liabilities for the Company are comprised of the following:

	2023 **$**	**2023** **$**
Trade payables (note 11)	28,533	22,654
Accrued liabilities	57,885	57,885
	86,418	80,539

10 Share capital and reserves

Share capital

a) Authorized

Unlimited number of common shares; and
Unlimited number of preferred shares.

b) Issued and outstanding

Share issuances

During the periods ended March 31, 2024 and 2023, the Company did not issue any shares.

(expressed in Canadian dollars)

10 Share capital and reserves (continued)

c) Stock options

The Company has an incentive stock option plan that conforms to the requirements of the TSX Venture Exchange. Options to purchase common shares have been granted to directors, officers, employees and consultants of the Company at exercise prices determined by the market value of the common shares on the date of the grant.

Granted during the period ended March 31, 2024

On February 27, 2024, the Company granted 800,000 stock options to directors and consultants of the Company. The exercise price of each stock option is $0.05 per share and the expiry date is February 26, 2034. The options vested immediately. The Company recognized stock-based compensation of $26,500 (Note 11). The total grant date fair value of the options was measured using the Black-Scholes Option Pricing Model based on the following assumptions: share price of $0.05, exercise price of $0.10, risk-free rate of 3.48%, expected volatility of 167%, and expected life of 10 years.

Granted during the period ended December 31, 2023

During the year ended December 31, 2023, the Company issued no options.

Stock options transactions and the number of stock options outstanding are summarized as follows:

	Number of options	**Weighted average exercise price $**
Balance – December 31, 2022	4,159,493	0.08
Options expired	-	0.00
Balance – December 31, 2023	4,159,493	0.08
Options granted	800,000	0.05
Balance – March 31, 2024	4,959,493	0.07
Number of options exercisable	4,959,493	0.07

(expressed in Canadian dollars)

10 Share capital and reserves (continued)

The following incentives stock options were outstanding and exercisable as at March 31, 2024:

Expiry Date	Exercise Price $	Number Outstanding
March 10, 2025	0.05	402,002
April 23, 2025	0.05	54,354
March 2, 2026	0.05	849,300
May 19, 2026	0.05	324,998
November 2, 2026	0.05	215,156
May 29, 2027	0.05	124,564
July 18, 2027	0.05	135,888
February 5, 2028	0.05	67,944
January 18, 2029	0.05	260,452
August 20, 2029	0.05	328,396
September 5, 2029	0.05	317,072
May 24, 2030	0.05	101,915
August 27, 2030	0.05	260,452
March 18, 2031	0.20	717,000
February 26, 2034	0.05	800,000
		4,959,493
Weighted average remaining contractual life (years)		5.17

d) Warrants

There are no warrants to purchase common shares outstanding as at March 31, 2024 and December 31, 2023.

Reserve

The share-based payment reserve includes stock-based compensation expense related to fair value of stock options granted and also the fair value of warrants issued for services.

11 Related party transactions

The Company has identified its directors and certain senior officers as its key management personnel.

During the period ended March 31, 2024, the Company incurred the following related party transactions:

a) Incurred management fees in the amount of $63,654 (2023 - $61,800) to companies controlled by the Company's Chief Executive Officer.

11 Related party transactions (continued)

a) Incurred management fees in the amount of $47,741 (2023 - $33,750) to companies controlled by the Company's Chief Financial Officer.

A total retainer balance paid in 2021 and 2022 to a company controlled by a director of the Company (note 4) as of March 31, 2024 is $1,100,000 (2023 - $1,100,000).

Stock-based compensation recorded in the amount of $18,219 for options to purchase common shares granted to related parties during the period ended March 31, 2024.

Included in accounts payable as of March 31, 2024 is a total of $Nil (2023 - $10,000) to the Company's Chief Executive Officer and Chief Financial Officer.

Included in prepaids as of March 31, 2024 is $42,324 (2023 - $19,520) of management fees to companies controlled by the Company's Chief Executive Officer and Chief Financial Officer.

12 Financial Instruments

Fair value

IFRS 9 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value 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 or indirectly; and

Level 3 – inputs for the asset or liability that are not based on observable market data.

As at March 31, 2024, the Company's financial instruments are comprised of cash, marketable securities, receivables, and accounts payable. The carrying value of cash, marketable securities, and accounts payable approximate their fair values due to the relatively short periods to maturity of these financial instruments.

Risk management

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

Credit risk

Credit risk is the risk of potential loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is limited to the carrying amount on the statement of financial position and arises from the Company's cash and receivables.

12 Financial Instruments (continued)

The Company's cash is held by a Canadian chartered bank which is a high-credit quality financial institution. The Company's receivables primarily consist of harmonized sales tax rebates due from the Government of Canada. The Company believes credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had a cash balance of $466,547 and short-term receivables of $36,628 to settle current liabilities of $86,418. The Company forecasts its cash needs on a regular basis and seeks additional financing based on those forecasts. There can be no assurance the Company will be able to obtain required financing in the future on acceptable terms. All the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. See note 1 for further discussion on going concern and its impact on liquidity. The Company believes liquidity risk to be moderate.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and foreign exchange rates.

Interest rate risk

The Company's current policy is to hold deposits in highly rated banking institutions. Interest on short and long-term debt arrangements are fixed and are specifically disclosed. Interest earned is negligible and therefore interest rate risk is low.

Foreign currency rate risk

The Company is domiciled in Canada and its capital is raised in Canadian dollars and does not conduct regular business in any foreign country. Therefore, foreign currency rate risk is considered low.

13 Capital management

The Company's working capital as at March 31, 2024 was $1,936,945 (2023 – $2,225,228). The Company's capital management objectives, policies and processes have not been changed over the periods presented. The Company is not subject to any externally imposed capital requirements.

The Company manages its cash and common shares as capital. The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the on-going business objectives including, but not limited to pursuing the exploration of its exploration and evaluation assets, funding of future growth opportunities, and pursuit of new acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company manages its capital structure by issuing new shares, adjusting capital spending or disposing of assets. In addition, management of the Company's capital structure is facilitated through its financial and operational forecasting processes. The forecast of the Company's future cash flows is based on estimates of commodity prices, forecast capital and operating expenditures, and other investing and financing activities or further discussed in note 1 going concern. The forecast is regularly updated based on new commodity prices and other changes, which the Company views as critical in the current environment.

14 Segmented information

The Company operates in one reportable operating segment, being the exploration and development of exploration and evaluation assets in Canada.

15 Commitments

Mineral Property Acquisitions

The Company acquired the Ample Goldmax Property, the Glitter King Property and the Silverside Property subject to option agreements pursuant to the Plan of Arrangement and assumed the obligations under those agreements. The agreements were in default however amended terms were agreed to in 2022 and are currently as follows:

15 Commitments (continued)

Ample Goldmax Property

Year 1 - $10,000 cash payment prior to August 5, 2022 and conduct enough exploration work to keep the property claims in good standing until at least August 1, 2023 (completed).

Year 2- Conduct enough exploration work to keep the property claims in good standing until at least August 1, 2024.

Year 3- $30,000 cash payment on or before August 1, 2024.

The optionor will also retain a 25% bulk sample royalty on any net profits the Company receives from the extraction of a bulk sample as well as a 3% NSR Royalty which can be bought out anytime for $500,000 for each 1% purchased.

Glitter King Property
Year 1 - $5,000 cash payment prior to August 5, 2022 and conduct enough exploration work to keep the property claims in good standing until at least August 1, 2023 (completed).

Year 2- Conduct enough exploration work to keep the property claims in good standing until at least August 1, 2024.

Year 3- $30,000 cash payment on or before August 1, 2024.

The optionor will also retain a 25% bulk sample royalty on any net profits the Company receives from the extraction of a bulk sample as well as a 3% NSR Royalty which can be bought out anytime for $500,000 for each 1% purchased.

Silverside Property
Year 1 - $5,000 cash payment prior to August 5, 2022 and conduct enough exploration work to keep the property claims in good standing until at least August 1, 2023 (completed).

Year 2- Conduct enough exploration work to keep the property claims in good standing until at least August 1, 2024.

Year 3- $30,000 cash payment on or before August 1, 2024.

The optionor will also retain a 25% bulk sample royalty on any net profits the Company receives from the extraction of a bulk sample as well as a 3% NSR Royalty which can be bought out anytime for $500,000 for each 1% purchased.

All cash payments, share payments and work commitment amounts in each of the agreements may be accelerated at the Company's discretion.