

Ankh Capital Inc.

Condensed Interim Financial Statements
For The Three Months Ended August 31, 2023 and 2022
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

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 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 Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Ankh Capital Inc.

Condensed Interim Statements of Financial Position

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

	August 31, 2023	May 31, 2023
ASSETS		
Current assets		
Cash	\$ 719,903	\$ 945,413
Loan receivable (Note 9)	200,000	-
TOTAL ASSETS	\$ 919,903	\$ 945,413
Current liabilities		
Accounts payable and accrued liabilities (Note 6)	\$ 21,656	\$ 34,797
Shareholders' equity		
Share capital (Note 4)	1,030,482	1,030,482
Reserves (Note 4)	232,900	232,900
Deficit	(365,135)	(352,766)
Total shareholders' equity	898,247	910,616
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 919,903	\$ 945,413

Nature and Continuance of Operations (Note 1)

Commitment (Note 9)

Approved on behalf of the Board of Directors

(signed) "Roger Milad"

Director

(signed) "Barry Coughlan"

Director

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

Ankh Capital Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

	Three months ended August 31, 2023	Three months ended August 31, 2022
EXPENSES		
Professional fees (Note 6)	\$ 11,955	\$ 24,050
Transfer agent fees	414	2,077
LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ (12,369)	\$ (26,127)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding – basic & diluted	15,620,000	15,620,000

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

Ankh Capital Inc.

Condensed Interim Statements of Changes in Equity

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

	<u>Share Capital</u>						Total Shareholders' Equity
	Number	Amount	Reserves	Deficit			
Balance, May 31, 2022	15,620,000	\$ 1,030,482	\$ 232,900	\$ (242,528)	\$		1,020,854
Net loss and comprehensive loss for the period	-	-	-	(26,127)			(26,127)
Balance, August 31, 2022	15,620,000	1,030,482	232,900	(268,655)			994,727
Net loss and comprehensive loss for the period	-	-	-	(84,111)			(84,111)
Balance, May 31, 2023	15,620,000	1,030,482	232,900	(352,766)			910,616
Net loss and comprehensive loss for the period	-	-	-	(12,369)			(12,369)
Balance, August 31, 2023	15,620,000	\$ 1,030,482	\$ 232,900	\$ (365,135)	\$		898,247

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

Ankh Capital Inc.

Condensed Interim Statements of Cash Flows

(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

For the three months ended August 31,	2023	2022
Operating activities		
Net loss for the period	\$ (12,369)	\$ (26,127)
Items not affecting operating cash:		
Share-based compensation	-	-
Changes in non-cash working capital items:		
Accounts payable and accrued liabilities	(13,141)	(7,522)
Net cash used in operating activities	(25,510)	(33,649)
Financing Activities		
Issuance of loan	(200,000)	-
Net cash used in operating activities	(200,000)	-
Change in cash during the period	(225,510)	(33,649)
Cash, beginning of period	945,413	1,033,876
Cash, end of period	\$ 719,903	\$ 1,000,227
Supplemental cash flow information		
Income taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

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

Ankh Capital Inc.
Notes to the Condensed Interim Financial Statements
For the three months ended August 31, 2023 and 2022
(Stated in Canadian Dollars)
(Unaudited – Prepared by Management)

1. Nature and Continuance of Operations

Ankh Capital Inc. (the “Company”) was incorporated on November 30, 2020 pursuant to the Business Corporations Act of British Columbia and is classified as a Capital Pool Company as defined in the TSX Venture Exchange (“TSX-V”) Policy 2.4. The Common Shares started trading on October 19, 2021 under the symbol “ANKH” following the completion of its initial public offering (“IPO”).

As a Capital Pool Company, the Company’s principal business is the identification and evaluation of assets, properties or businesses with a view to acquire or participate therein subject, in certain cases, to shareholder approval and acceptance by the TSX-V. Where an acquisition or participation is warranted (the “Qualifying Transaction”), additional funding may be required. The ability of the Company to fund its potential future operations and commitments is dependent upon obtaining additional financing. There is no assurance that the Company will complete a Qualifying Transaction, at which time the TSX-V may suspend or de-list the Company’s shares from trading.

These financial statements have been prepared on the basis that the Company will continue as a going concern. The proposed business of the Company and the completion of a Qualifying Transaction involves a high degree of risk and there is no assurance that the Company will identify an appropriate business for acquisition or investment, and even if so identified and warranted, it may not be able to finance such an acquisition nor investment. Additional funds will be required to enable the Company to pursue such an initiative and the Company may be unable to obtain such financing on terms which are satisfactory to it. Furthermore, there is no assurance that the business will be profitable. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern.

The head office, principal address and registered and records office of the Company are located at 250 Howe Street 20th Floor, Vancouver, BC V6C 3R8.

The condensed interim financial statements of the Company for the three months ended August 31, 2023 were approved and authorized for issue by the Board of Directors on October 30, 2023.

2. Basis of Preparation

a) Statement of compliance

The Company has prepared its condensed interim financial statements in accordance with IAS 34 Interim Financial Reporting (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended May 31, 2023.

b) Basis of presentation

The condensed interim financial statements have been prepared on an accrual basis, except for statement of cash flow information and are based on historical costs.

Ankh Capital Inc.
Notes to the Condensed Interim Financial Statements
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(Unaudited – Prepared by Management)

3. Summary of Significant Accounting Policies

Accounting Policies

a) Cash

Cash in the statement of financial position is comprised of cash on deposit at financial banking institutions and amounts held in trust on behalf of the Company.

b) Foreign currencies

The financial statements are presented in Canadian dollars. The Company's functional currency is the Canadian dollar, which is the currency of the primary economic environment in which the Company operates.

Transactions in foreign currencies are initially recorded at the functional currency rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency rate of exchange at the date of the statement of financial position.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

c) Share-based payments

Employees (including directors and senior executives) of the Company may receive a portion of their remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments ("equity-settled transactions"). The costs of equity-settled transactions with employees are measured by reference to the fair value of the equity instruments at the date on which they are granted.

In situations where equity instruments are issued to non-employees for goods or services, the transaction is measured at the fair value of the goods or services received by the Company. When the value of the goods or services cannot be reliably estimated, they are measured at the fair value of the equity instrument issued.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("vesting date"). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge or credit for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is recorded in reserves. If the options and warrants expire or are forfeited, the corresponding amount previously recorded remains in reserves.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional amount is recognized on the same basis as the amount of the original award for any modification which increases the total fair value of the equity settled transactions or is otherwise beneficial to the employee as measured at the date of modification.

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3. Summary of Significant Accounting Policies (continued)

d) Taxation

Income tax expense represents the sum of tax currently payable and deferred tax.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are substantively enacted at the date of the statement of financial position.

Deferred tax

Deferred taxes are provided for using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable earnings; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable earnings; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the date of each statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at the date of each statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position.

Ankh Capital Inc.

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3. Summary of Significant Accounting Policies (continued)

d) Taxation (continued)

Deferred tax relating to items recognized directly in equity is recognized in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

e) Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares. Basic earnings (loss) per share is computed by dividing the earnings (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflects the potential dilution of common share equivalents, such as outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. Diluted loss per share is equivalent to basic loss per share as the dilutive impact of shares from the presumed exercise of stock options and warrants would be anti-dilutive.

f) Financial instruments

a) Recognition

The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value, and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset, or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired. A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectation of recovering the contractual cash flows of a financial asset.

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3. Summary of Significant Accounting Policies (continued)

f) Financial instruments (continued)

b) Classification and measurement

The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

- i) those to be measured subsequently at fair value, either through profit or loss (“FVTPL”) or through other comprehensive income (“FVTOCI”); and
- ii) those to be measured subsequently at amortized cost.

The classification and measurement of financial instruments after initial recognition at fair value depends on the business model for managing the financial instruments and the contractual terms of the cash flows. Financial instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial instruments are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial instruments are classified and measured at either:

- i) amortized cost;
- ii) FVTPL, if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or
- iii) FVTOCI, when the change in fair value is attributable to changes in the Company’s credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at FVTOCI or amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at FVTPL are expensed in profit or loss.

The Company’s financial asset consists of cash, which is classified and subsequently measured at amortized cost. The Company’s financial liabilities consist of accounts payable and accrued liabilities which are classified and measured at amortized cost using the effective interest method. Interest expense is reported in net loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

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3. Summary of Significant Accounting Policies (continued)

f) Financial instruments (continued)

c) Impairment

The Company assesses all information available, including on a forward-looking basis the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available, and reasonable and supportable forward-looking information.

g) Significant accounting judgments and estimates

The preparation of these financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities at the statement of financial position date and reported amounts of expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

h) Standards and interpretations issued but not yet effective

At the date of authorization of these financial statements, the IASB has not issued any new or revised standards expected to have a material impact on the results and financial position of the Company when adopted.

4. Shareholders' Equity

a) Authorized and issued share capital

The Company has authorized an unlimited number of common shares without par value. 6,220,000 common shares are being held in escrow.

b) During the period ended August 31, 2023, the Company had no share activity.

During the year ended May 31, 2023, the Company had no share activity.

c) Shares held in escrow

As at August 31, 2023, 6,220,000 (2022 – 6,220,000) common shares are held in escrow pursuant to terms of an Escrow Agreement entered into in connection with the Company's IPO. Under the Escrow Agreement, 25% of the escrowed common shares will be released from escrow upon completion of a Qualifying Transaction and an additional 25% will be released on the dates 6 months, 12 months and 18 months following the completion of a Qualifying Transaction.

Ankh Capital Inc.

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4. Shareholders' Equity (continued)

d) Stock options

The Company adopted a Stock Option Plan (the "Plan"). Under the Plan, the Company can issue up to 10% of the issued and outstanding common shares as incentive stock options to directors, officers, employees and consultants to the Company. The Plan limits the number of stock options which may be granted to any one individual to not more than 5% of the total issued common shares of the Company in any 12 month period. The Plan also limits the stock options which may be granted to any one individual if the exercise would result in the issuance of common shares more than 2% in any 12 month period. The number of options granted to any one consultant or a person employed to provide investor relations activities in any 12 month period must not exceed 2% of the total issued common shares of the Company. As well, stock options granted under the Plan may be subject to vesting provisions as determined by the Board of Directors.

During the period ended August 31, 2023, the Company granted no stock options.

During the year ended May 31, 2023, the Company granted no stock options.

A summary of change in stock options is as follows:

	Number		Weighted average exercise price
Balance, May 31, 2022, 2023 and August 31, 2023	1,562,000	\$	0.10

As at August 31, 2023, the following options were outstanding and exercisable:

	Number		Exercise price
October 15, 2026	1,562,000	\$	0.10

Ankh Capital Inc.

Notes to the Condensed Interim Financial Statements

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(Stated in Canadian Dollars)

(Unaudited – Prepared by Management)

4. Shareholders' Equity (continued)

e) Warrants

During the period ended August 31, 2023, the Company granted no warrants.

During the year ended May 31, 2023, the Company granted no warrants.

A summary of change in warrants is as follows:

	Number		Weighted average exercise price
Balance, May 31, 2022, 2023 and August 31, 2023	1,000,000	\$	0.10

As at August 31, 2023, the following warrants were outstanding and exercisable:

	Number		Exercise price
October 15, 2026	1,000,000	\$	0.10

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5. Financial Instruments

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

- Level 1 — Fair value measurements are derived from quoted prices in active markets or identical assets or liabilities;
- Level 2 — Fair value measurements are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 — Fair value measurements are derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

The carrying values of the Company's financial instruments, comprised of cash and accounts payable and accrued liabilities, approximate their fair values due to the short-term nature of these financial instruments.

The Company is exposed to various financial risks resulting from its operations. The Company's management manages financial risks. The Company does not enter into financial instrument agreements, including derivative financial instruments, for speculative purposes. There were no changes to the Company's risk exposure during the period ended August 31, 2023. The Company's main financial risk exposures and its financial policies are as follows:

a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash is exposed to credit risk, with the carrying value being the Company's maximum exposure. The Company's cash consists of funds held in the lawyer's trust. Management believes the Company's exposure to credit risk is not material. The Company's exposure to and management of credit risk has not changed materially from that of the prior year.

b) Market risk

The risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Management does not believe the Company is exposed to significant currency, interest or other price risk. The Company's exposure to and management of market risk has not changed materially from that of the prior year.

c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's accounts payable and accrued liabilities are all current and due within 90 days of the statement of financial position date. The Company seeks to ensure that it has sufficient capital to meet short term financial obligations after taking into account its operating obligations and cash on hand. As at August 31, 2023, the Company had a cash balance of \$719,903 (May 31, 2023 – \$945,413) to settle current liabilities of \$21,656 (May 31, 2023 – \$34,797). The Company's exposure to and management of liquidity risk has not changed materially from that of the prior year.

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6. Related Party Transactions

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and directors.

During the period ended August 31, 2023 and 2022, a law firm of which one of the directors is a partner provided services as follows:

	August 31, 2023	August 31, 2022
Professional fees	\$ 7,455	\$ 19,551

As at August 31, 2023, \$Nil (May 31, 2023 - \$11,367) was included in accounts payable and accrued liabilities.

7. Capital Management

The Company's capital currently consists of shareholders' equity in the amount of \$898,247 as at August 31, 2023. As at August 31, 2022, the Company's capital consisted of common shares in the amount of \$994,727. Its principal source of cash is from the issuance of common shares. The Company's capital management objectives are to safeguard its ability to continue as a going concern and to have sufficient capital to be able to identify, evaluate and then acquire an interest in businesses or assets.

The proceeds raised from the issuance of share capital may only be used to identify and evaluate assets or businesses for future investment, with the exception that up to \$3,000 per month may be used for reasonable general and administrative expenses of the Company. These restrictions apply until completion of a Qualifying Transaction by the Company as defined under the policies of the Exchange Policy 2.4.

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. The Company's approach to managing capital has not changed from that of the prior year.

8. Segmented Information

At August 31, 2023, the Company has one reportable operating segment being the identification and evaluation of assets or a business and, once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval, if required, and acceptance by regulatory authorities. All of the Company's assets are located in Canada.

9. Commitment

On May 31, 2023, the Company entered into a secured loan agreement whereby the Company will lend Quetzal Copper Limited an amount of \$200,000 at an annual interest rate of 8%, payable on the earlier of May 31, 2024, and six months from the termination of the agreement (Note 11).

The loan shall be secured by granting a general security agreement by Quetzal Copper Limited.

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10. Amalgamation Agreement

During the period ended August 31, 2023, the Company entered into an amalgamation agreement with Quetzal Copper Limited (“Quetzal”), which the Company will acquire all of the issued and outstanding securities of Quetzal (the “Transaction”).

Upon successful completion of the Transaction, it is anticipated that the combined entity (the “Resulting Issuer”) will be listed as a Tier 2 Mining issuer on the TSX Venture Exchange (“TSXV”) and will carry on the business of Quetzal. The Transaction is intended to constitute the Company’s “qualifying transaction” pursuant to Policy 2.4 of the TSXV.

Pursuant to the terms of the Amalgamation Agreement, among other things, a wholly-owned subsidiary of the Company and Quetzal will amalgamate (the “Amalgamation”) and all post-Subdivision (as defined below) securities of Quetzal will be exchanged for post-Consolidation (as defined below) equivalent securities of the Company on a one-for-1.0979668 basis (the “Exchange Ratio”), which may be amended upon finalization of the terms of the Private Placement.

In connection with completion of the Transaction:

- The Company will consolidate (the “Consolidation”) all of the then issued and outstanding Common Shares on the basis of one post-Consolidation Common Share (each, a “Resulting Issuer Share”) for each previously outstanding two Common Shares and each Option and Warrant will be adjusted in accordance with their respective terms to account for the Consolidation;
- Quetzal will subdivide (the “Subdivision”) all of the then issued and outstanding Quetzal Common Shares on the basis of three post-Subdivision Quetzal Common Shares for each previously outstanding Quetzal Shares and each Quetzal Option will be adjusted in accordance with its terms to account for the Subdivision;
- all outstanding Quetzal Options, as adjusted for by the Subdivision, will be replaced with equivalent convertible or exchangeable securities of the Resulting Issuer entitling the holders thereof to acquire Resulting Issuer Shares in lieu of Quetzal Common Shares adjusted to reflect the Exchange Ratio, and otherwise bearing the same terms of the securities they replace; and
- the Company will change its name to “Quetzal Copper Corp.” or such other name as may be determined by Quetzal.

The Transaction is not a Non-Arm’s Length Qualifying Transaction (as defined under the policies of the TSXV) and therefore will not require approval by the shareholders of Ankh under Policy 2.4 of the TSXV. The Transaction is further subject to, among other things, the approval by the shareholders of Quetzal and the approval of the TSXV.

In connection with and as a condition to the Transaction, Quetzal intends to complete an equity financing of Quetzal Common Shares for minimum gross proceeds of \$3,000,000 (the “Private Placement”). It is expected that the issue price per post-Subdivision Quetzal Common Share will be a minimum of \$0.20.

In connection with the Transaction, the Company has agreed to pay a finder’s fee equal to 1% of the shares issued upon closing of the Transaction to the current shareholders of Quetzal, subject to the approval by the TSXV.

The Company has agreed to, subject to all regulatory approvals, lend Quetzal \$200,000 (paid June 1, 2023) by way of a secured bridge loan (the “Bridge Loan”) at an annual interest rate of 8%. The Bridge Loan will be forgiven by the Company upon completion of the Transaction. The Bridge Loan will be repayable earlier of May 31, 2024 and six months from the termination of the Definitive Agreement in accordance with its terms.