
1287412 B.C. LTD.

INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022

(Expressed in Canadian Dollars)

Notice of No Auditor Review

These unaudited interim financial statements have not been reviewed by the auditors of the Corporation. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.

1287412 B.C. LTD.
Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	March 31, 2022	December 31, 2021
ASSETS			
Current assets			
Amounts receivable		\$ 1,222	\$ 1,050
Total assets		\$ 1,222	\$ 1,050
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		\$ 14,347	\$ 12,848
Due to a related party	3	14,624	10,995
		28,971	23,843
SHAREHOLDERS' EQUITY			
Share capital	4	375	375
Deficit		(28,124)	(23,168)
		(27,749)	(22,793)
Total liabilities and shareholders' equity		\$ 1,222	\$ 1,050

Nature of operations and going concern (Note 1)

Approved and authorized on behalf of the Board of Directors on May 26, 2022

Director James Ward (signed)

Director Stephen Sandusky (signed)

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

1287412 B.C. LTD.**Interim Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31, 2022	Three months ended March 31, 2021
EXPENSES		
Accounting and corporate secretarial fees	\$ 3,000	\$ -
Professional fees	1,500	-
Regulatory and transfer agent fees	456	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ (4,956)	\$ -
NET LOSS PER SHARE – BASIC AND DILUTED	\$ (0.001)	\$ -
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	3,750,001	1

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

1287412 B.C. LTD.**Interim Statements of Changes in Shareholder Deficit**

(Unaudited - Expressed in Canadian Dollars)

	Number of Shares		Share Capital		Deficit		Total
Issued at incorporation on February 3, 2021	1	\$	-	\$	-	\$	-
Net and comprehensive loss for the period	-		-		-		-
Balance, March 31, 2021	1	\$	-	\$	-	\$	-
Balance, December 31, 2021	3,750,001	\$	375	\$	(23,168)	\$	(22,793)
Net and comprehensive loss for the period	-		-		(4,956)		(4,956)
Balance, March 31, 2022	3,750,001	\$	375	\$	(28,124)	\$	(27,749)

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

1287412 B.C. LTD.**Interim Statements of Cash Flows**

(Unaudited - Expressed in Canadian Dollars)

	Three months ended March 31, 2022	Three months ended March 31, 2021
Operating activities:		
Net loss for the period	\$ (4,956) \$	-
Changes in non-cash working capital:		
Amounts receivable	(172)	-
Accounts payable and accrued liabilities	1,499	-
Due to a related party	3,629	-
Net cash used in operating activities	-	-
Increase in cash during the period	-	-
Cash – beginning of the period	-	-
Cash – end of the period	\$ - \$	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

1287412 B.C. Ltd. ("the Company" or "412 BC") was incorporated under the Business Corporations Act of British Columbia on February 3, 2021. The Company is engaged in the exploration and development of mineral properties in Canada. The Company's head office is located at 1200 Waterfront Centre, 200 Burrard Street, Vancouver, BC, V6C 3L6.

The Company was a wholly-owned subsidiary of 1289625 B.C. Ltd. ("1289625") (formerly, 2583262 Ontario Inc.) until a plan of arrangement was completed on April 21, 2021 under which the Company's common shares were distributed to shareholders of 1289625 on a pro-rata basis.

These interim financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. As at March 31, 2022, the Company had accumulated a loss of \$28,124. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of corporate overhead. These factors indicate material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern and, therefore, that it may be unable to discharge its liabilities in the normal course of business. Additional funds will be required to enable the Company to continue its operations and there can be no assurance that financing will be available on terms which are acceptable to the Company. These interim financial statements do not give effect to any adjustments to the amounts and classifications of assets and liabilities which might be necessary should the Company be unable to continue its operations as a going concern.

In addition, the Company began operations after the World Health Organization categorized COVID-19 as a pandemic. Financial markets around the world have been extremely volatile due to events and conditions resulting from this pandemic and as a result, the volatility could also impact the Company's ability to continue its operations as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") and related IFRS Interpretations Committee ("IFRIC's") interpretations as issued by the International Accounting Standards Board ("IASB"). These interim financial statements were approved by the board of directors for issue on May 26, 2022.

b) Basis of presentation

These interim financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value. In addition, these interim financial statements are prepared using the accrual basis of accounting, aside from cash flow information.

c) Foreign currencies

These interim financial statements are presented in Canadian dollars, which is also the functional currency of the Company. Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are charged to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial instruments

Recognition and classification

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.

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of financial asset debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial instruments (continued)

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets, is recognized in profit or loss.

e) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. The Company's common shares are classified as equity instruments.

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as deferred assets. Share issuance costs related to uncompleted share subscriptions are recognized in profit or loss.

Equity financing transactions may involve the issuance of units. Units comprise common shares and share purchase warrants. The Company accounts for unit offering proceeds between common shares and share purchase warrants using the residual value method, wherein the fair value of the common shares is based on the fair value ascribed to the shares issued and the balance, if any, is allocated to the attached warrants.

f) Loss per share

Basic loss per share represents the loss for the period, divided by the weighted average number of common shares outstanding during the period. Diluted loss per share represents the loss for the period, divided by the weighted average number of common shares outstanding during the period plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of these would not be anti-dilutive.

g) Share based payments

Share-based payment are awards that are direct awards of stock to employees, contractors or directors, that call for settlement by issuing equity instruments. The awards are valued using the Black Scholes option pricing model. The cost is recognized on a graded vesting method basis adjusted for expected forfeitures as an employee or director expense with a corresponding increase to equity in the share-based payment compensation reserve. Consideration paid by employees, contractors or directors on the exercise of stock options is recorded as share capital.

Share-based payments with parties other than employees, assumes a rebuttable presumption that the fair value of the goods or services received can be estimated reliably. In rare circumstances, the Company rebuts this presumption because it cannot estimate reliably the fair value of the goods or services received. The Company then measures the goods or services received, and the corresponding increase in equity, indirectly, by reference to the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders service.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- h) Recently issued but not yet effective standards

The Company has performed an assessment of new and revised standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be material.

3. RELATED PARTY TRANSACTIONS

As at March 31, 2022, the Company has \$14,624 (December 31, 2021 - \$10,995) in related party liabilities owing to 1289625 for reimbursable expenses incurred on behalf of the Company.

4. SHARE CAPITAL

- a) Authorized – Unlimited common shares without par value.
- b) Issued and outstanding – 3,750,001 common shares

Stock Options

On April 28, 2021, the Company granted 100,000 stock options to its CEO. The stock options vest immediately, exercisable at \$0.10 per common share and will expire 5 years from the date of grant.

As at March 31, 2022, the Company has the following stock options granted and outstanding:

Number of Options	Expiry Date	Exercise Price	Remaining Life (in Years)
100,000	April 28, 2026	\$0.10	4.08

5. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' deficit of \$27,749 at March 31, 2022.

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 its capital structure, the Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

6. FINANCIAL INSTRUMENTS

For financial instruments held by the Company, management classifies accounts payable and accrued liabilities, and amounts due to a related party at amortized cost.

- a) Fair value of financial instruments

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

6. FINANCIAL INSTRUMENTS (continued)

a) Fair value of financial instruments (continued)

As at March 31, 2022, the Company believes that the carrying value of accounts payables and amounts due to a related party approximates their fair value because of their nature and relatively short maturity date or duration.

b) Management of risks arising from financial instruments

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit risk

Credit risk is the risk associated with the counterparty's inability to fulfil its payment obligations. The Company is not exposed to credit risk.

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited because the Company has no interest-bearing financial instruments.

Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions as they come due. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained. The company is exposed to liquidity risk in the amount of \$28,971 that is due to be settled in 90 days of the period-end.