Unaudited Interim Condensed Financial Statements

CROSSOVER ACQUISITIONS INC.

For the three and six months ended June 30, 2023 and 2022

Notice of disclosure of non-auditor review of condensed interim financial statements pursuant to National Instrument 51-102, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators.

The accompanying interim condensed financial statements of the Company for the three and six month periods ended June 30, 2023 have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards and are the responsibility of the Company's management.

The Company's auditors have not performed an audit or a review of these interim condensed financial statements.

CROSSOVER ACQUISITIONS INC.

Interim Condensed Statements of Financial Position

Stated in Canadian dollars (unaudited)

	As at June 30, 2023	As at Dec 31, 2022
Assets		
Current:		
Cash	**$ 1,006,974**	$ 1,176,495
HST and other receivable	**19,424**	2,442
	1,026,398	1,178,937
Total assets	**$ 1,026,398**	$ 1,178,937
Liabilities		
Current:		
Accounts payable and accrued liabilities	**$ 26,795**	$ 27,500
	26,795	27,500
Shareholders' Equity		
Share capital	**1,147,075**	1,147,075
Warrants	**92,793**	92,793
Contributed surplus	**46,396**	46,396
Deficit	**(286,661)**	(134,827)
Total shareholders' equity	**999,603**	1,151,437
Total liabilities and shareholders' equity	**$ 1,026,398**	$ 1,178,937

Going concern (note 1)
Subsequent events (note 6)

"*Bradley Parkes*"
Bradley Parkes, Director

"*Neil Bothwell*"
Neil Bothwell, Director

See accompanying notes to the unaudited interim condensed financial statements.

CROSSOVER ACQUISITIONS INC.

Interim Condensed Statements of Loss and Comprehensive Loss

Stated in Canadian dollars (unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	**2023**	2022
Expenses:				
Shareholder information	**$ 6,227**	$ 1,187	**$ 23,952**	11,376
Professional fees	**74,613**	2,000	**127,882**	7,738
	80,840	3,187	**151,834**	19,114
Net loss and comprehensive loss	**$ 80,840**	$ 3,187	**$ 151,834**	$ 19,114

Net loss per common share				
Basic and diluted	-	-	(0.01)	-
Weighed average number of shares basic and diluted	16,500,000	16,500,000	16,500,000	16,500,000

See accompanying notes to the unaudited interim condensed financial statements.

CROSSOVER ACQUISITIONS INC.

Interim Condensed Statements of Changes in Equity

Stated in Canadian dollars (unaudited)

	# Shares	Share Capital		Warrants		Contributed surplus		Deficit		Total shareholders' equity
Balance at December 31, 2021	**16,500,000**	**1,159,800**	**$**	**92,793**	**$**	**46,396**	**$**	**(95,039)**	**$**	**1,203,960**
Net loss and comprehensive loss	-	–		–		–		(19,114)		(19,114)
Share issue costs	-	(12,725)		–		–		–		(12,725)
Balance at June 30, 2022	**16,500,000**	**1,147,075**	**$**	**92,793**	**$**	**43,396**	**$**	**(114,153)**	**$**	**1,172,121**
Balance at December 31, 2022	**16,500,000**	**1,147,075**	**$**	**92,793**	**$**	**43,396**	**$**	**(134,827)**	**$**	**1,151,437**
Net loss and comprehensive loss		–		–		–		(151,834)		(151,834)
Balance at June 30, 2023	**16,500,000**	**1,147,075**	**$**	**92,793**	**$**	**43,396**	**$**	**(286,661)**	**$**	**999,603**

See accompanying notes to the unaudited interim condensed financial statements.

CROSSOVER ACQUISITIONS INC.

Interim Condensed Statements of Cash Flows

Stated in Canadian dollars (unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2023	2022	**2023**	2022
Cash provided by (used in):				
Operating Activities:				
Net loss	**$ (80,840)**	$ (3,187)	**$ (151,834)**	$ (19,114)
Decrease (increase) in HST receivable	**(6,959)**	12,688	**(16,982)**	19,766
Increase (decrease) in accounts payable and accrued liabilities	**8,471**	2,900	**(705)**	(3,466)
Cash provided by (used) in operating activities	**(79,328)**	12,401	**(169,521)**	(2,814)
Financing Activities:				
Additional share issue costs	**–**	(12,725)	**–**	(12,725)
Cash used in financing activities	**–**	(12,725)	_	(12,725)
Decrease in cash during the period	**(79,328)**	(324)	**(169,521)**	(15,539)
Cash, beginning of period	**1,086,302**	1,180,123	**1,176,495**	1,195,338
Cash, end of period	**$1,006,974**	$1,179,799	**$ 1,006,974**	$1,179,799

See accompanying notes to the unaudited interim condensed financial statements.

1. Reporting entity and description of the business:

Crossover Acquisitions Inc. (the "Company") was incorporated under the laws of the Province of Ontario on May 27, 2019 and was a private company until October 21, 2021 when the Company closed its initial public offering. The Company is classified as a Capital Pool Company as defined in the TSX Venture Exchange (the “Exchange”) Policy 2.4. The principal business of the Company is the identification and evaluation of a Qualifying Transaction (“QT”) 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. (see subsequent event Note 6)

These interim condensed 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 QT 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 it may not be able to raise funds to finance such an acquisition within the requisite time frame. Furthermore, there is no assurance that any acquisition will result in positive cash flow. These factors indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern.

Management believes the use of the going concern assumption is appropriate based upon the assumption the Company will have sufficient cash resources to meet ongoing obligations as they become due in the normal course of activities. The Company has successfully raised financing in the past and believes that it will be able to raise the necessary financing in the future.

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that would be necessary should the Company be unable to continue as a going concern.

2. Basis of presentation:

(a) Basis of presentation and statement of compliance:

These Financial Statements have been prepared in accordance with the requirements of International Accounting Standard ("IAS") 34, Interim Financial Reporting. These Financial Statements do not include all information required for annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended December 31, 2022.

The accounting policies, basis of measurement, critical accounting judgments and significant estimates to prepare the audited annual financial statements as at and for the year ended December 31, 2022 have been applied in the preparation of these Financial Statements.

These condensed interim financial statements have been prepared on a historical cost basis. These financial statements are presented in Canadian dollars, which is the functional currency of the Company.

(b) Approval of financial statements:

These Financial Statements were approved by the Board of Directors on August 28, 2023.

(c) Use of estimates and judgements:

The preparation of financial statements inconformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. These estimates are reviewed periodically and, as adjustments become necessary, are reported in the period in which they become known. By their nature, these estimates and related future cash flows are subject to measurement uncertainty, and the impact on future financial statements could be material. A full list of the key sources of estimation uncertainty can be found in the Company's annual financial statements for the year ended December 31, 2022.

There have been no significant changes to the use of estimates, judgements or assumptions since the December 31, 2022 financial statements, as detailed in note 2 of the audited financial statements for the year ended December 31, 2022.

(d) Financial instruments and financial risk management:

The Company's financial instruments consist of cash, accounts receivable and accounts payable and accrued liabilities. The carrying values of cash, accounts receivable and accounts payable and accrued liabilities approximate their fair values due to the short-term maturities of those instruments.

Stated in Canadian dollars (unaudited)

3. Capital Management

The Company's policy is to attain a strong capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risks characteristic of the underlying resource assets. As a Company without an operating business, the Company considers its capital structure to be comprised of working capital only. In order to maintain or adjust the capital structure, the Company will adjust its capital spending to manage current and projected expenditure levels.

The Company has not paid or declared any dividends since the date of its incorporation, nor are any dividends contemplated in the foreseeable future.

The Company does not have any externally imposed capital requirements.

There were no changes in the Company's approach to capital management during the period.

4. Share capital:

(a) Authorized:

Unlimited number common shares

(b) Issued:

As at December 31, 2022 and June 30, 2023, the Company had the following common shares issued and outstanding:

Issued common sahres	Number	Share capital
		$
Balance, December 31, 2021	16,500,000	$ 1,159,780
Additional share issue costs	-	(12,705)
Balance, December 31, 2022 and June 30, 2023	**16,500,000**	**$ 1,147,075**

Stated in Canadian dollars (unaudited)

4. Share capital (continued):

(c) Common share purchase warrants ("Warrants"):

	Number	Exercise price
		$
Outstanding, December, 2021 and June 30, 2022	1,250,000	0.10
Outstanding, December, 2022 and June 30, 2023	**1,250,000**	**0.10**

The warrants expire in 2026.

(d) Stock options:

The Company has a common share purchase option plan (the "Plan") for directors, officers, employees, and consultants. Options granted under the Plan generally have a five-year term. Options are granted at a price no lower than the market price of the common shares at the time of the grant.

The following tables summarize stock options issued and outstanding:

	Number	Exercise price
		$
Outstanding, December 31, 2021 and June 30, 2022	1,650,000	$ 0.05
Outstanding, December 31, 2022 and June 30, 2023	**1,650,000**	**$ 0.05**

Exercise price	Average Remaining term (years)	Number outstanding
$0.05	3.3	1,650,000
Outstanding, June 30, 2023	**3.3**	**1,650,000**

The 1.65 million stock options issued along with the prospectus filing were valued at $46,396 using a Black-Scholes option pricing model with the following inputs: dividend yield 0%; Risk free interest rate of 0.90%; estimated volatility of 100% and term of 5 years. The options vest immediately.

5. Financial risk management:

(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. Financial instruments that potentially subject the Company to credit risk consist of cash. The Company’s cash and short term investments is held through large Canadian Financial Institutions. The Company has no significant concentration of credit risk arising from operations. Management believes the risk of loss to be remote.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations associated with financial liabilities in full. The primary source of liquidity is net operating income, which is used to finance working capital and capital expenditure requirements, and to meet the Company's financial obligations associated with financial liabilities.

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient cash to meet liabilities when due. All of the Company’s financial liabilities have contractual maturities of less than one year and are subject to normal trade terms. The Company’s ability to continue operations and fund its business acquisition is dependent on management’s ability to secure additional financing. It is anticipated that the Company will continue to rely on equity and debt financing to meet its ongoing working capital requirements for the near future.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not presently have any interest bearing debt and therefore in management's opinion, is not exposed to any significant interest rate risk.

(d) Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices and is comprised of currency risk, interest rate risk, and other price risk. The Company currently does not have any financial instruments that would be impacted by changes in market prices.

Stated in Canadian dollars (unaudited)

5. Financial risk management (continued):

(e) Fair value of financial instruments:

The Company values instruments carried at fair value using quoted market prices, where available. Quoted market prices represent a Level 1 valuation. When quoted market prices are not available, the Company maximizes the use of observable inputs within valuation models. When all significant inputs are observable, the valuation is classified as Level 2. Valuations that require the significant use of unobservable inputs are considered Level 3. Level 3 fair values are based on a number of valuation techniques other than observable market data. There are no level 3 values currently recorded on the balance sheet of the Company.

	Level	2023	2022
		$	$
Fair value through profit and loss			
Cash and cash equivalents	Level 1	1,006,974	1,176,495
Financial liabilities measured at amortized cost			
Accounts payable and accrued liabilities	Level 1	26,795	27,500

6. Subsequent events:

During the period, the Company entered into a business combination agreement with Resolute Resources Ltd. on March 21, 2023, with the intention that this transaction will constitute the Company’s Qualifying Transaction, as that term defined by the policies of the TSX Venture Exchange.

On August 23, 2023 this business combination transaction (the “Transaction”) with Resolute Resources Ltd. Was completed. This transaction resulted in the reverse take-over of the Compnay by the former shareholders of Resolute and which constituted the Company’s “Qualifying Transaction”, as such term is defined under Policy 2.4 – Capital Pool Companies of the TSX Venture Exchange. The Company after giving effect to the Transaction (the “Resulting Issuer”) will carry on the business previously carried on by Resolute.