
1317223 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.

1317223 B.C. LTD.
STATEMENTS OF FINANCIAL POSITION
(Unaudited- Expressed in Canadian Dollars)

		March 31, 2022	December 31, 2021
	Note	\$	\$
ASSET			
Current asset			
Taxes receivable		1,375	1,475
Total assets		1,375	1,475
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		6,594	5,194
Due to a related party	3	28,552	28,552
		35,146	33,746
SHAREHOLDERS' DEFICIT			
Share capital	4	388	388
Deficit		(34,159)	(32,659)
		(33,771)	(32,271)
Total liabilities and shareholders' deficit		1,375	1,475

Nature of operations and going concern (Note 1)

Approved and authorized on behalf of the Board of Directors on May 27 ,2022

Director James Ward (Signed)

Director Stephen Sandusky (Signed)

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

1317223 B.C. LTD.
STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited- Expressed in Canadian Dollars)

	For the three month ended March 31, 2022	From July 27, 2021 (date of incorporation) to December 31, 2021
	\$	\$
EXPENSES		
Incorporation costs	-	25,000
Professional fees	-	2,500
Audit fees	1,500	5,094
Legal fees	-	-
Regulatory and transfer agent fees	-	65
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	(1,500)	(32,659)
NET LOSS PER SHARE – BASIC AND DILUTED	(0.00)	(0.01)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING	3,875,000	3,625,000

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

1317223 B.C. LTD.**STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIT**

(Unaudited- Expressed in Canadian Dollars)

	Number of Shares #	Share Capital \$	Deficit \$	Total \$
Balance, July 27, 2021	-	-	-	-
Issued under plan of arrangement	3,875,000	388	-	388
Net and comprehensive loss for the period	-	-	(32,659)	(32,659)
Balance, December 31, 2021	3,875,000	388	(32,659)	(32,271)
Net and comprehensive loss for the period			(1,500)	(1,500)
Balance, March 31, 2022	3,875,000	388	(34,159)	(33,771)

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

1317223 B.C. LTD.
STATEMENTS OF CASH FLOWS
(Unaudited- Expressed in Canadian Dollars)

	For the three months ended March 31, 2022	For the period from July 27, 2021 (date of incorporation) to December 31, 2021
	\$	\$
Operating activities:		
Net loss for the period	(1,500)	(32,659)
Changes in non-cash working capital:		
Taxes receivable	100	(1,475)
Due to a related party	-	29,065
Accounts payable and accrued liabilities	1,400	5,069
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

1317223 B.C. LTD. (the “Company”) was incorporated under the Business Corporations Act of British Columbia on July 27, 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, B.C., V6C 3L6.

Plan of arrangement

On December 17, 2021, 1289625 B.C. Ltd. (“625 BC”) completed a plan of arrangement whereby 625 BC spun off each of its subsidiaries including 1317223 B.C. LTD.

Under the statutory plan of arrangement (“Plan of Arrangement”), each 625 BC shareholder received one hundred thousand (100,000) common shares of 1317223 B.C. LTD. in exchange for each existing common share of 625 BC (the “Distributed Securities”) resulting in total common shares issued under the plan of arrangement of 3,875,000.

As a result of completing the Plan of Arrangement, 1317223 B.C. LTD. became a separate reporting issuer and 625 BC holds no interest in the Company.

Going Concern

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 \$34,159 since its inception. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of corporate overhead.

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.

These events and conditions 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 amount and classification of assets and liabilities which might be necessary should the Company be unable 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”) as issued by the International Accounting Standards Board (“IASB”). These interim financial statements were approved by the board of directors for issue on May 27, 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.

NOTES TO THE FINANCIAL STATEMENTS

For the three months ended March 31, 2022

(Unaudited- Expressed in Canadian Dollars)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 ("FVTOCI") or at amortized cost. The Company determines the classification of financial instruments at initial recognition. The classification of financial instruments is driven by the Company's business model for managing the financial assets and liabilities and their contractual cash flow characteristics.

Equity investments that are held for trading are classified as FVTPL. For other equity investments, 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.

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 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 credit risk 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)

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 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 charged to operations.

f) Income taxes

Income tax comprises current and deferred tax. Income tax is recognized in the statement of loss and comprehensive loss except to the extent that it relates to items recognized directly in equity, in which case the income tax is also recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted, at the end of the reporting period, and any adjustment to tax payable in respect of previous periods.

In general, deferred tax is recognized in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the interim financial statements.

Deferred income tax is determined on a non-discounted basis using tax rates and laws that have been enacted or substantively enacted at the statement of financial position date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognized to the extent that it is probable that the assets can be recovered.

Deferred income tax assets and liabilities are presented as non-current.

g) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the three months ended March 31, 2022

(Unaudited- Expressed in Canadian Dollars)

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 interim financial statements would not be material.

i) Key management personnel

The Company has not compensated key management personnel during the period.

3. RELATED PARTY TRANSACTIONS

An amount of \$28,552 (December 31, 2021 - \$28,552) is included as due to a related party as reimbursement for expenses incurred on behalf of the Company by its related party, 625 BC. These amounts are due upon demand.

4. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Issued and outstanding – 3,875,000 common shares

Shares issued for the period ended March 31, 2022

There were no common shares issued during the period.

Shares issued for the period ended December 31, 2021

During the year ended December 31, the Company issued 3,875,000 common shares pertaining to the plan of arrangement. The fair value of the common shares issued were \$388.

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 (\$34,159) as at March 31, 2022 and shareholders' deficit of (\$32,659) as at December 31, 2021.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the three months ended March 31, 2022

(Unaudited- Expressed in Canadian Dollars)

6. FINANCIAL INSTRUMENTS (continued)

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.

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

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 manages liquidity risk by maintaining sufficient cash to enable settlement of transactions as they come due. The Company is exposed to liquidity risk in the amount of \$35,146 (December 31, 2021 -\$33,746) that is due to be settled within 90 days of the period-end.