

1329306 B.C. Ltd.

Condensed Interim Financial Statements

For the three and nine months ended September 30, 2022

(Expressed in Canadian Dollars)

(Unaudited)

Notice of No Auditor Review of Condensed Interim Financial Statements

The accompanying unaudited condensed interim financial statements of the Company have been prepared by management and approved by the Audit Committee and Board of Directors of the Company. The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

1329306 B.C. Ltd.**Condensed Interim Statements of Financial Position**

(Expressed in Canadian Dollars)

(Unaudited)

	September 30, 2022	December 31, 2021
Assets		
Current Assets		
Cash	\$ 1	\$ 1
Accounts receivable (Note 5)	844	-
Total assets	\$ 845	\$ 1
Liabilities		
Current Liabilities		
Trade and other payables (Note 6)	\$ 48,006	\$ -
Due to parent company (Note 6)	-	817
Total liabilities	48,006	817
Shareholder's deficiency		
Share capital (Note 7)	1	1
Deficit	(47,162)	(817)
Total shareholder's deficiency	(47,161)	(816)
Total liabilities and shareholder's deficiency	\$ 845	\$ 1

Nature of Operations and Going Concern (Note 1)

Approved on behalf of the Board of Directors on November 9, 2022

"Riccardo Forno" (signed)

Director

"Daniel Nauth" (signed)

Director

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

1329306 B.C. Ltd.**Condensed Interim Statement of Loss and Comprehensive Loss****For the three and nine months ended September 30, 2022****(Expressed in Canadian Dollars)****(Unaudited)**

	Three months ended September 30, 2022	Nine months ended September 30, 2022
Expenses		
Consulting fees (<i>Note 8</i>)	\$ 10,000	\$ 30,000
Professional fees	500	11,508
Shareholder information	221	4,837
Net loss and comprehensive loss	\$ (10,721)	\$ (46,345)
Basic and diluted loss per share	\$ (0.00)	\$ (0.00)
Weighted average number of shares outstanding:		
Basic and diluted (see Note 7)	22,590,750	22,590,750

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

1329306 B.C. Ltd.**Condensed Interim Statement of Changes in Equity (Deficiency)****For the nine months ended September 30, 2022****(Expressed in Canadian Dollars)****(Unaudited)**

	Share Capital				Deficit	Total Shareholder's Deficiency
	Shares		Amount			
Issued at incorporation on October 20, 2021 (Note 7)	22,590,750	\$	1	\$	-	\$ 1
Net loss and comprehensive loss for the period	-		-		(817)	(817)
Balance, December 31, 2021	22,590,750	\$	1	\$	(817)	\$ (816)
Net loss and comprehensive loss for the period	-		-		(46,345)	(46,345)
Balance, September 30, 2022	22,590,750	\$	1	\$	(47,162)	\$ (47,161)

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

1329306 B.C. Ltd.

Condensed Interim Statement of Cash Flow
For the nine months ended September 30, 2022
(Expressed in Canadian Dollars)
(Unaudited)

	Nine months ended September 30, 2022
Operating activities	
Net loss and comprehensive loss for the period	\$ (46,345)
Change in non-cash operating working capital:	
Accounts receivable	(844)
Trade and other payables	47,189
Cash flows from operating activities	-
Net change in cash	-
Cash, beginning of period	1
Cash, end of period	\$ 1

1329306 B.C. Ltd.

Notes to the Condensed Interim Financial Statements
For the three and nine months ended September 30, 2022
(Expressed in Canadian dollars)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

1329306 B.C. Ltd. (the "Company"), was incorporated on October 20, 2021 under the *Business Corporations Act* (British Columbia). Its principal business is to effect mergers, arrangements, reverse takeover transactions and other corporate transactions with other entities with a view to providing liquidity in connection with "go public" transactions. The Company's head office is located at 890 Pender Street, Suite 600, Vancouver, British Columbia V6C 1J9.

The Company was a wholly-owned subsidiary of Veta Resources Inc. ("Veta") until a plan of arrangement was completed on February 18, 2022 under which the Company's common shares were distributed to shareholders of Veta on a pro-rata basis (refer to Note 7).

These financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and discharge of liabilities in the normal course of business. As at September 30, 2022, the Company had accumulated losses of \$47,162 since its incorporation. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of corporate overhead. These factors indicate the existence of a material uncertainty 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 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. BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements of 1329306 B.C. Ltd have been prepared in accordance with IAS 34, Interim Financial Reporting. These condensed interim financial statements do not include all notes of the type normally included within the annual financial report and should be read in conjunction with the audited financial statements of the Company for the period from October 20, 2021 (date of incorporation) to December 31, 2021, which has been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

These condensed interim financial statements of the Company for the period ended September 30, 2022 were approved and authorized for issue by the Board of Directors on November 9, 2022.

2.2 Basis of presentation

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

1329306 B.C. Ltd.

Notes to the Condensed Interim Financial Statements For the three and nine months ended September 30, 2022 (Expressed in Canadian dollars) (Unaudited)

2. BASIS OF PREPARATION (continued)

2.3 Use of management estimates, judgments and measurement uncertainty

These condensed interim financial statements have been prepared using the same accounting policies and methods of computation as the financial statements of the Company as at and for the period from October 20, 2021 (date of incorporation) to December 31, 2021.

Accordingly, these condensed interim financial statements should be read in conjunction with the audited consolidated financial statements for period from October 20, 2021 (date of incorporation) to December 31, 2021.

3. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive 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 the industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital and deficit which at September 30, 2022 totaled a deficit of \$47,161 (December 31, 2021 – a deficit of \$816).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating and capital expenditures, and other investing and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements.

4. FINANCIAL INSTRUMENTS

Fair value hierarchy and fair value

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1* - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2* - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- Level 3* - valuation techniques using inputs for the asset or liability that are not based on observable market data.

As at September 30, 2022, the Company did not have any financial instruments measured at fair value and that classification within the fair value hierarchy. As at September 30, 2022, the carrying and fair value amounts of the Company's financial instruments are approximately equivalent due to the relatively short periods to maturity of these instruments.

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Notes to the Condensed Interim Financial Statements For the three and nine months ended September 30, 2022 (Expressed in Canadian dollars) (Unaudited)

4. FINANCIAL INSTRUMENTS (continued)

Fair value estimates are made at a specific point in time, based on relevant market information and information about financial instruments. These estimates are subject to and involve uncertainties and matters of significant judgment, and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

i) Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is attributable to various financial instruments, as noted below. The credit risk is limited to the carrying value amount carried on the statement of financial position.

- a. **Cash** – Cash is held on-site and the risk of loss is minimal.

The Company's maximum exposure to credit risk as at September 30, 2022 is the carrying value of cash.

ii) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. At September 30, 2022, the Company had a working capital deficiency of \$47,161 (December 31, 2021 - \$816). Working capital deficiency as at September 30, 2022 consisted of: cash of \$1 (December 31, 2021 - \$1); accounts receivable of \$844 (December 31, 2021 - \$nil); and trade and other payables of \$48,006 (December 31, 2021 - \$817). The Company had not yet achieved profitable operations, has losses of \$47,162 (December 31, 2021 - \$817) and expects to incur further losses in the development of its business.

iii) Interest rate risk

The Company is not exposed to significant interest rate risk due to the short-term nature of its monetary assets and liabilities. Cash not required in the short term, is invested in short-term guaranteed investment certificates, as appropriate.

5. ACCOUNTS RECEIVABLE

The Company's accounts receivable is comprised of the following:

		September 30, 2022		December 31, 2021
HST recoverable	\$	844	\$	-

6. TRADE AND OTHER PAYABLES

The Company's trade and other payables are comprised of the following:

		September 30, 2022		December 31, 2021
Trade payables	\$	4,060	\$	817
Accrued liabilities		43,946		-
	\$	48,006	\$	817

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Notes to the Condensed Interim Financial Statements For the three and nine months ended September 30, 2022 (Expressed in Canadian dollars) (Unaudited)

7. SHARE CAPITAL

The Company is authorized to issue an unlimited number of common shares without par value. The issued and outstanding common shares consist of the following:

	No. of Shares	Amount
Issued at incorporation on October 20, 2021	22,590,750	1
Balance at September 30, 2022 and December 31, 2021	22,590,750	\$ 1

On October 20, 2021, the company issued 1 common share upon incorporation for proceeds of \$1.

On February 18, 2022, under a statutory plan of arrangement, the Company cancelled the 1 outstanding common share issued upon incorporation and issued 22,590,750 new common shares from treasury for no additional consideration.

7. RELATED PARTY TRANSACTIONS

i) Key management personnel compensation

The company did not pay employment-based remuneration to directors, officers or other members of key management for the period ended September 30, 2022. However, the Company did pay contract-based remuneration to directors, officers and other members of key management as disclosed in Note 7(ii).

ii) Other related party transactions

Included in these interim condensed financial statements are the following related party transactions, which have been determined by negotiation amongst the related parties. These transactions are in the normal course of operations and are measured at the same value as if the transactions had occurred with non-related parties.

Nine months ended	September 30, 2022
Consulting expenses	\$ 30,000

Related party balances

Included in trade and other payables at September 30, 2022 is \$30,000 (December 31, 2021 – \$nil) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

An amount of \$817 was included in liabilities as reimbursement for expenses incurred on behalf of the Company by Veta Resources Inc. as at December 31, 2021. This amount is now reported as trade and other payables as at September 30, 2022.