1329306 B.C. LTD.

FILING STATEMENT

REVERSE TAKEOVER TRANSACTION INVOLVING ZODIAC GOLD INC.

November 14, 2023

All information contained in this Filing Statement with respect Zodiac Gold Inc. was supplied by Zodiac Gold Inc. for inclusion herein.

Neither the TSX Venture Exchange nor any securities regulatory authority has in any way passed upon the merits of the Transaction described in this Filing Statement.

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FORWARD-LOOKING INFORMATION

This Filing Statement contains forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “does not expect”, “is expected”, “estimates”, “intends”, “anticipates”, “does not anticipate”, or “believes”, or variations of such words and phrases or states that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken to occur or be achieved. ShellCo and Zodiac have based this forward-looking information on its current expectations and projections about future events and financial trends that it believes may affect its financial condition, results of operations, business strategy and financial needs. This forward-looking information may include, among other things, statements relating to:

- proposed expenditures for exploration work, and general and administrative expenses;
- the Resulting Issuer’s use of available funds;
- capital requirements, needs for additional financing and the Resulting Issuers’ ability to raise additional capital;
- estimated results of planned exploration and development activities;
- the future price of and future demand for metals;
- economic and financial conditions;
- government regulation of mining operations, accidents, environmental risks, exploration risks, reclamation and rehabilitation expenses;
- title disputes or claims; and
- the timing and possible outcome of pending regulatory and permitting matters.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Resulting Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Although ShellCo and Zodiac have attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements.

Known and unknown factors could cause actual results or events to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to:

- ShellCo and Zodiac’s ability to receive, in a timely manner and on satisfactory terms all necessary shareholder, stock exchange and regulatory approvals to complete the Transaction in a timely matter, or at all;
- Failure to realize the anticipated affects and benefits of the Transaction;
- Zodiac has a limited operating history and has no history of earnings;
- Zodiac has historically had negative cash flow from operating activities;

- Zodiac may not be able to obtain additional financing when required or, if available, the terms of such financing may not be favourable to Zodiac;

- Zodiac may not use the funds available to it in the manner described in this Filings Statement;

- Zodiac's ability to continue as a going concern;

- Zodiac's operations are subject to all the hazards and risks normally associated with the exploration, development and mining of minerals;

- Zodiac's exploration plans may be adversely affected by Zodiac's reliance on historical data compiled by previous parties involved with the Todi Property;

- Zodiac and its assets may also become subject to uninsurable risks;

- the Resulting Issuer may not receive all necessary approvals in a timely manner or at all and will incur cost regardless;

- the TSXV may not approve the acquisition of any additional mineral property interests by Zodiac, whether by way of option or otherwise, should Zodiac wish to acquire any additional property interests;

- Zodiac's activities on the Todi Property will require permits or licenses which may not be granted to Zodiac;

- Zodiac may be affected by political, economic, environmental and regulatory risks beyond its control;

- There is no guarantee that the Todi Property will not be challenged by claims from local titles, or unknown third parties claiming an interest in the property;

- Zodiac is subject to various risks associated with climate change;

- Zodiac's exploration, development and mining activities may be negatively impacted by social and environmental activism;

- Zodiac is currently largely dependent on the performance of its key personnel and there is no assurance that Zodiac can retain their services;

- The work of outside consultants and engineers for the Todi Property's development, construction and operating expertise may be deficient or negligent;

- Zodiac competes with other companies with greater financial resources and technical facilities;

- Zodiac operates in an emerging market and may be exposed to business corruption and other criminal activity;

- Volatility in metals prices and foreign exchange may impede operations and future financing;

- Resulting issuer securities carries a high degree of risk and should be considered speculative by purchasers. There is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and the likelihood of the Resulting Issuer's success must be considered in light of its early stage of operations.

- Resulting Issuer maybe exposed to litigation risk without merit which costs can be expensive and may have a material impact on the Resulting Issuer operations and financial conditions.

- Resulting Issuer may face risks of its internal controls over financial reporting which if uncorrected may impact accuracy of the financial statements;

- Oversupply in stock exchange markets may lead to sell of shares;

- Dilution from future equity financing could negatively impact holders of the Resulting Issuer Shares; and

- the Resulting Issuer Shares may be subject to significant price volatility and low trading volumes.

The factors identified above are not intended to represent a complete list of the factors that could affect ShellCo, Zodiac, or the Resulting Issuer. Additional factors are noted under the heading "*Risk Factors*".

Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking information prove incorrect, actual results, performance or achievement may vary materially from those expressed or implied by the forward-looking information contained in this Filing Statement. These factors should be carefully considered, and readers are cautioned not to place undue reliance on forward-looking information, which speaks only as of the date of this Filing Statement. All subsequent forward-looking information attributable to ShellCo, Zodiac, or the Resulting Issuer herein is expressly qualified in its entirety by the cautionary statements contained in or referred to herein. The Resulting Issuer does not undertake any obligation to release publicly any revisions to this forward-looking information to reflect events or circumstances that occur after the date of this Filing Statement or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

SCIENTIFIC AND TECHNICAL INFORMATION

Scientific and technical information relating to the Todi Property contained in this Filing Statement is derived from, and in some instances is a direct extract from, and based on the assumptions, qualifications and procedures set out in, the Technical Report. Please refer to the full text of the Technical Report, which is available for review under the Resulting Issuer's profile on SEDAR at www.sedar.com. The disclosure in this Filing Statement derived from the Technical Report has been prepared with the consent of Tom Dowrick, C.Geol. of A.C.A. Howe International Limited UK, a "Qualified Person" and independent of the Resulting Issuer as defined in NI 43-101.

SHELLCO REORGANIZATION

On October 26, 2023, ShellCo completed the Reorganization, which involved a consolidation of the ShellCo Shares followed by a split of the ShellCo Shares. The overall effect of the Reorganization was to consolidate the ShellCo Shares on the basis of one Post-Reorganization ShellCo Share for every 14.2 pre-Reorganization ShellCo Shares. All references to per share prices and numbers of the ShellCo Shares in this Filing Statement are made on a post-Reorganization basis unless otherwise noted or required by the context.

GLOSSARY OF TERMS

The following is a glossary of certain definitions used in this Filing Statement. Terms and abbreviations used in the financial statements of ShellCo, Zodiac, and the Resulting Issuer in the appendices to this Filing Statement are defined separately and the terms and abbreviations defined below are not used therein, except where otherwise indicated. Words importing the singular, where the context requires, include the plural and vice versa and words importing any gender include all genders.

"**ACA Howe**"	means A.C.A. Howe International Limited.
"**Affiliate**"	has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions*.
"**Arrangement**"	means an arrangement pursuant to provisions of Division 5 of Part 9 of the BCBCA on the terms and conditions set forth in the Plan of Arrangement, subject to any amendment or supplement thereto made in accordance therewith, herewith or made at the direction of the Court either in the Interim Order or the Final Order with the consent of the Zodiac and ShellCo, each acting reasonably.
"**Arrangement Agreement**"	means the arrangement agreement dated August 15, 2023 between ShellCo and Zodiac.
"**Arm's Length Transaction**"	means a transaction which is not a Related Party Transaction.
"**Associate**"	when used to indicate a relationship with a Person, means (a) an issuer of which the Person beneficially owns or controls, directly or indirectly, voting securities entitling him to more than 10% of the voting rights attached to all outstanding voting securities of ShellCo; (b) any partner of the Person; (c) any trust or estate in which the Person has a substantial beneficial interest or in respect of which the Person serves as trustee or in a similar capacity; (d) in the case of a Person who is an individual: (i) that Person's spouse or child, or (ii) any relative of that Person or of his spouse who has the same residence as that Person; but (e) where the TSXV determines that two Persons shall, or shall not, be deemed to be associates with respect to a Member firm, Member corporation or holding company of a Member corporation, then such determination shall be determinative of their relationships in the application of Rule D. 1.00 of the TSXV Rule Book and Policies with respect to that Member firm, Member corporation or holding company.
"**BCBCA**"	means the *Business Corporations Act* (British Columbia).
"**Broker Warrants**"	means, collectively, the ShellCo Broker Warrants and Zodiac Broker Warrants.
"**company**"	unless specifically indicated otherwise, means a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
"**Control Person**"	means any Person that holds, or is one of a combination of Persons that holds, a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of an issuer, except where there is

	evidence showing that the holder of those securities does not materially affect the control of ShellCo.
"**Court**"	means the Supreme Court of British Columbia.
"**Effective Date**"	means the date upon which the Arrangement becomes effective pursuant to the Plan of Arrangement.
"**Exchange Ratio**"	means one Post-Reorganization ShellCo Share for every one Zodiac Share.
"**Escrow Agent**"	means Endeavor Trust Corporation.
"**Filing Statement**"	means this filing statement completed pursuant to TSXV Form 3D2, together with all appendices attached hereto and including the summary hereof.
"**Final Exchange Bulletin**"	means the bulletin of the TSXV, which is to be issued following Closing and the submission of all Post-Approval Documents, which evidences the final TSXV acceptance of the Transaction.
"**Final Order**"	means an order of the Court approving the Arrangement pursuant to section 291(2) of the BCBCA, as such order may be amended at any time prior to the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed.
"**Gem Rocks**"	means Gem Rocks Mining Resources Inc., a private corporation organized and existing under the laws of Liberia.
"**IFRS**"	means International Financial Reporting Standards.
"**Insider**"	if used in relation to an issuer, means: (a) a director or senior officer of ShellCo; (b) a director or senior officer of a company that is an Insider or subsidiary of ShellCo; (c) a Person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of ShellCo; or (d) ShellCo itself if it holds any of its own securities.
"**Interim Order**"	means an interim order of the Court concerning the Arrangement pursuant to section 291(2) of the BCBCA, containing declarations and directions with respect to the Arrangement and the Zodiac Shareholder Meeting, as such order may be amended.
"**Letter of Intent**"	means the letter of intent dated June 20, 2023 between ShellCo and Zodiac with respect to the Transaction.
"**MEL**"	means a Mineral Exploration License issued under the New Minerals and Mining Law of Liberia of 2000 and the Mineral Exploration Regulation of Liberia.
"**MD&A**"	means management's discussion and analysis.
"**MRL**"	means a Mineral Reconnaissance License issued under the New Minerals and Mining Law of Liberia of 2000 and the Mineral Exploration Regulation of Liberia
"**Named Executive Officer**" or "**NEO**"	has the meaning given to that term in Form 51-102F6 – *Statement of Executive Compensation* under National Instrument 51-102 – *Continuous Disclosure Obligations*.

"**NI 43-101**"	means National Instrument 43-101- *Standards of Disclosure for Mineral Projects*.
"**Non-Arm's Length Party**"	means in (a) relation to a company, a promoter, officer, director, other Insider or Control Person of that company (including an issuer) and any Associates or Affiliates of any such Persons; and (b) in relation to an individual, any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider, or Control Person.
"**Person**"	means a company or an individual.
"**Plan of Arrangement**"	means the plan of arrangement under the BCBCA substantially in the form and content of Schedule A to the Arrangement Agreement and any amendment or variation thereto made in accordance with the Plan of Arrangement or the Arrangement Agreement or made at the direction of the Court in the Final Order with the prior written consent of the Zodiac and ShellCo, each acting reasonably.
"**Post-Approval Documents**"	means the documents prescribed by TSXV Policy 5.2 – *Changes of Business and Reverse Takeovers*.
"**Post-Reorganization ShellCo Shares**"	means the ShellCo Shares after giving effect to the Reorganization.
"**Promissory Notes**"	means the promissory notes dated August 3, 2023 and October 19, 2023 between Zodiac and ShellCo, as amended, pursuant to which ShellCo agreed to advance a loan to Zodiac in the original principal amount of up to $250,000.
"**promoter**"	has the meaning given to that term in the *Securities Act* (British Columbia), as amended.
"**Related Party Transaction**"	has the meaning given to that term in TSXV Policy 5.9 – *Protection of Minority Security Holders in Special Transactions*, and includes a related party transaction that is determined by the TSXV to be a Related Party Transaction. The Exchange may deem a transaction to be a Related Party Transaction when the transaction involves Non-Arm's Length Parties, or other circumstances exist which may compromise the independence of ShellCo with respect to the transaction.
"**Reorganization**"	means the reorganization of the ShellCo Shares, consisting of the ShellCo Share Consolidation and the ShellCo Share Split.
"**Resulting Issuer**"	means ShellCo after giving effect to the Transaction.
"**Resulting Issuer Board**"	means the board of directors of the Resulting Issuer.
"**Resulting Issuer Escrow Agreement**"	means the agreement to be entered into among the Resulting Issuer, the Escrow Agent, and certain shareholders of the Resulting Issuer pursuant to which the securities of the Resulting Issuer owned by such shareholders will be held in escrow in accordance with the requirements of the TSXV.
"**Resulting Issuer Incentive Plan**"	means the omnibus equity incentive plan of the Resulting Issuer to be adopted in connection with the Transaction.
"**Resulting Issuer Options**"	means the incentive stock options of the Resulting Issuer following Closing.
"**Resulting Issuer Shares**"	means the common shares in the capital of the Resulting Issuer.

"**Resulting Issuer Shareholders**"	means the holders of the Resulting Issuer Shares.
"**Resulting Issuer Warrants**"	means the common share purchase warrants of the Resulting Issuer outstanding upon Closing.
"**ShellCo**"	means 1329306 B.C. Ltd., an unlisted reporting issuer subsisting under the BCBCA.
"**ShellCo Board**"	means the board of directors of ShellCo.
"**ShellCo Broker Warrants**"	means ShellCo Warrants issued to certain brokers whose clients participated in the ShellCo Financing to purchase that number of ShellCo Shares equal to 7% of the number of ShellCo Shares purchased by such clients.
"**ShellCo Financing**"	means the non-brokered private placement of ShellCo Shares common shares in the capital of ShellCo for gross proceeds of up to $2,086,863 at a price of $0.10 per share, of which $586,862 was received on June 20, 2023 and up to $1,500,000 (less the amount, if any, received by Zodiac in the Subsequent Financing Closings) is expected to be received at a second closing to occur after the date of this Filing Statement and prior to the completion of the Transaction.
"**ShellCo Incentive Plan**"	means the omnibus equity incentive plan of ShellCo dated November 14, 2023.
"**ShellCo Share Consolidation**"	means the consolidation of the pre-Reorganization ShellCo Shares that was completed on October 26, 2023 pursuant to which every 957,100 pre-consolidation ShellCo Shares were consolidated into one post-consolidation ShellCo Share.
"**ShellCo Share Split**"	means the split of the pre-Reorganization ShellCo Shares that was completed on October 26, 2023. Following the completion of the ShellCo Share Split, pursuant to which each pre-split ShellCo Share was split into 67,000 post-split ShellCo Shares.
"**ShellCo Shareholders**"	means the holders of ShellCo Shares.
"**ShellCo Shares**"	means common shares issued and outstanding in the capital of ShellCo.
"**ShellCo Warrants**"	means warrants to acquire ShellCo Shares.
"**Subsequent Financing Closings**"	means the second closing of each of the ShellCo Financing and, if applicable, the Zodiac Financing that are expected to be completed after the date of this Filing Statement and prior to the completion of the Transaction.
"**Subsequent Financing Closings Proceeds**"	means aggregate amount of up to $1,500,000 in gross proceeds expected to be received by ShellCo and Zodiac in the Subsequent Financing Proceeds, of which up to $200,000 is expected to be received by Zodiac and the balance of which is expected to be received by ShellCo.
"**Technical Report**"	means the technical report prepared by ACA Howe titled "Technical Report on the Todi Gold Project in Liberia" and dated November 14, 2023, prepared in accordance with the requirements of NI 43-101.
"**Todi Property**" or "**Todi Project**" or the "**Property**"	means the Todi gold project owned by Zodiac located in Liberia.

“**Transaction**”	means the acquisition by ShellCo of all of the issued and outstanding securities of Zodiac pursuant to the Arrangement Agreement and the other transactions contemplated by the Arrangement Agreement.
“**TSXV**” or the “**Exchange**”	means the TSX Venture Exchange.
“**Veta**”	means Veta Resources Inc.
“**Zodiac**”	means Zodiac Gold Inc., a private company incorporated under the BCBCA.
“**Zodiac Board**”	means the board of directors of Zodiac.
“**Zodiac Broker Warrants**”	means Zodiac Warrants issued to certain brokers whose clients participated in the Zodiac Financing to purchase that number of Zodiac Shares equal to 7% of the number of Zodiac Units purchased by such clients.
“**Zodiac Financing**”	means the non-brokered private placement of Zodiac Units for gross proceeds of up to $828,460 at a price of $0.18 per Zodiac Unit, of which $628,460 was received on May 5, 2023 and up to $200,000 is expected to be received at a second closing to occur after the date of this Filing Statement and prior to the completion of the Transaction..
“**Zodiac Incentive Plan**”	means the omnibus equity incentive plan of Zodiac dated April 1, 2022.
“**Zodiac Options**”	means stock options to acquire Zodiac Shares.
“**Zodiac Shares**”	means common shares in the capital of Zodiac.
“**Zodiac Shareholder Meeting**”	means the special meeting of Zodiac Shareholders to be held on or about November 27, 2023 for the purposes of approving the Arrangement.
“**Zodiac Shareholders**”	means the holders of Zodiac Shares.
“**Zodiac Warrants**”	means warrants to acquire Zodiac Shares.
“**Zodiac Units**”	means units consisting of one Zodiac Share and one-half of one Zodiac Warrant, with each full warrant allowing the holder to acquire an additional Zodiac Share at a price of $0.25 per Zodiac Share for a period of two years from the date of issuance of the Zodiac Warrant.

Unless otherwise indicated, references to “$”, “C$”, “CAD$”, “Canadian dollars” or “dollars” are to Canadian dollars, and references to “US$”, “USD$”, “U.S. $” or “U.S. dollars” are to United States dollars. As of October 31, 2023, the average estimate rate of exchange between (i) United States dollar and Canadian dollar, as quoted by the Bank of Canada, was US$1.00 = CAD $1.3871 (or CAD$1.00 = US$0.7209).

SUMMARY OF FILING STATEMENT

The following is a summary of information relating to ShellCo, Zodiac, and the Resulting Issuer (assuming Closing) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement. Certain capitalized words and terms used in this Summary are defined in the Glossary of Terms.

THE COMPANIES

ShellCo

ShellCo was incorporated under the BCBCA on October 20, 2021. 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. As of the date hereof, ShellCo has not commenced commercial operations and has no assets other than cash. ShellCo's head and registered office is located at Suite 3606 – 833 Seymour Street, Vancouver, British Columbia, V6B 0G4.

ShellCo was originally a wholly-owned subsidiary of Veta Resources Inc. ("**Veta**") until a plan of arrangement was completed on February 18, 2022 under which all of the ShellCo Shares were distributed to shareholders of Veta on a pro-rata basis.

On June 20, 2023, the controlling shareholder of ShellCo and certain of its affiliates sold a total of 20,323,008 pre-Reorganization ShellCo Shares, representing approximately 90% of the then outstanding ShellCo Shares, to a group of six separate purchasers. Concurrently with this transaction, ShellCo completed an initial closing of the ShellCo Financing for gross proceeds of $586,862.

On August 3, 2023 and October 19, 2023, ShellCo and the Zodiac entered into the Promissory Notes, pursuant to which ShellCo agreed to loan up to C$250,000 in amounts requested by Zodiac from time to time. Amounts drawn under the Promissory Notes will bear interest at a rate of 3% per annum. The first promissory note of C$100,000 (US$74,251) will be repayable on February 3, 2024, and the second promissory note of C$150,000 (US$109,369) will be repayable on February 19, 2024. Zodiac may repay the Promissory Notes by the due dates or at such earlier date without penalty. If Zodiac fails to repay any amount owing under the Promissory Notes when due, ShellCo will have the option to convert the unpaid principal amount and interest into shares of Zodiac at a price of C$0.18 per share.

See "*Part II - Information Concerning ShellCo*".

Zodiac

Zodiac was incorporated under the BCBCA on May 26, 2020. Zodiac has one wholly owned subsidiary, Gem Rocks, which was incorporated under the laws of Liberia on December 7, 2011 and acquired by Zodiac on November 30, 2021. Zodiac's head office and registered office address is located at Suite 3606 – 833 Seymour Street, Vancouver, British Columbia V6B 0G4.

Zodiac is a mineral exploration company focused on the exploration of the Todi Property. The Todi Property consists of one mineral exploration license covering 418.38 km^2 in the Montserrado and Bomi Counties in the Republic of Liberia and two separate mineral reconnaissance licenses covering 1898 km^2 in Margibi, Grand Cape Mount, Bomi, Montserrado Counties and 294 km in Grand Bassa and Margibi Counties, respectively.

On August 3, 2023 and October 19, 2023, ShellCo and Zodiac entered into the Promissory Notes.

See "*Part III – Information Concerning Zodiac*".

THE TRANSACTION

On June 20, 2023, ShellCo and Zodiac entered into the Letter of Intent pursuant to which they agreed to proceed with the Transaction.

ShellCo and Zodiac entered into the Arrangement Agreement on August 15, 2023. The Arrangement Agreement supersedes and replaces the Letter of Intent.

Pursuant to the Arrangement Agreement, among other things, ShellCo proposes to acquire all of the issued and outstanding Zodiac Shares in exchange for ShellCo Shares by way of a court-approved plan of arrangement under the BCBCA.

Pursuant to the Arrangement, ShellCo will acquire all of the issued and outstanding Zodiac Shares, including all of the Zodiac Shares issued in connection with the Zodiac Financing in exchange for the issuance of Post-Reorganization ShellCo Shares on the basis of the Exchange Ratio at a deemed price of $0.18 per share. Assuming that there will be 56,345,305 Zodiac Shares issued and outstanding immediately prior to Closing, a total of 56,345,305 ShellCo Shares will be issued to the Zodiac Shareholders under the Arrangement representing aggregate deemed consideration of $10,142,155. In addition, all of the issued and outstanding Zodiac Options and Zodiac Warrants will be exchanged for Resulting Issuer Options and Resulting Issuer Warrants having equivalent terms on a one-for-one basis.

In addition to the exchange of Zodiac Shares, Zodiac Options and Zodiac Warrants for ShellCo Shares, Resulting Issuer Options and Resulting Issuer Warrants, the Transaction contemplates a number of related steps and transactions, including the Zodiac Financing, the Zodiac Shareholder Meeting, the Reorganization, the change of the name of the name of the Resulting Issuer to "Zodiac Gold Inc." (or such other name as may be determined by Zodiac) and the reconstitution of the board of directors and officers of the Resulting Issuer. See "*Part I – The Transaction*".

Upon completion of the transactions contemplated in the Arrangement Agreement, Zodiac will be a wholly-owned subsidiary of ShellCo, the shareholders of ShellCo and Zodiac immediately prior to the completion of the Transaction (including shareholders who acquired their shares pursuant to the ShellCo Financing and the Zodiac Financing, assuming that Zodiac raises $200,000 and ShellCo raises $1,300,000 in the Subsequent Financing Closings) will hold 19,834,000 and 56,345,305 Resulting Issuer Shares, respectively (representing 26% and 74%, respectively, of the outstanding Resulting Issuer Shares on a non diluted basis), and there will be a total of 76,179,305 Resulting Issuer Shares, 6,065,000 Resulting Issuer Options and 31,267,580 Resulting Issuer Warrants issued and outstanding. See "*Part IV – Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization*".

The Transaction is an Arm's Length Transaction. Upon Closing, the Resulting Issuer will be engaged in the existing business of Zodiac and will become a Tier 2 Mining Issuer under the policies of the TSXV. See *"Part IV – Information Concerning the Resulting Issuer".*

It is currently contemplated that Closing will take place in December 2023, however Closing is conditional on a number of factors which are, in part, beyond the parties' control, including the approval of the Exchange. The Arrangement Agreement sets an outside date for Closing of December 31, 2023.

PROPOSED DIRECTORS AND OFFICERS OF THE RESULTING ISSUER

Upon Closing, the Resulting Issuer Board is expected to be reconstituted to consist of David Kol, Mark Kol, Douglas Cater and Graham Warren. Officers of the Resulting Issuer will consist of David Kol as Chief Executive Officer and President, Efdal Olcer as Vice President of Exploration, Peter Granata as Chief Financial Officer and Sherry Siu as Corporate Secretary, and such other persons as may be appointed by the Resulting Issuer Board or management. See "*Part IV – Information Concerning the Resulting Issuer – Directors, Officers and Promoters of the Resulting Issuer*."

ZODIAC FINANCING

On May 5, 2023, Zodiac completed a private placement of units (the "**Zodiac Units**") for gross proceeds of $628,460 at a price of $0.18 per unit. Prior to completing the Transaction, Zodiac intends to complete an additional private placement of Zodiac Units on the same terms for additional gross proceeds of up to $200,000 (such private placements being collectively referred to as the "**Zodiac Financing**"). The proceeds of the Zodiac Financing will be used to finance exploration and other expenses relating to the Todi Project and the working capital requirements of the Resulting Issuer. Each Zodiac Unit consists of one Zodiac Share and one-half of one Zodiac Warrant, with each full warrant allowing the holder to acquire an additional Zodiac Share at a price of $0.25 per Zodiac Share for a period of two years from the issuance of the Zodiac Unit.

In connection with the second closing of the Zodiac Financing, Zodiac expects to pay "finder fees" to certain brokers whose clients participated in the Zodiac Financing equal to 7% of the aggregate proceeds received from such clients. As additional compensation, Zodiac would also issue Zodiac Warrants to such brokers to purchase that number of Zodiac Shares equal to 7% of the number of Zodiac Units purchased by such clients ("**Zodiac Broker Warrants**"). Each Zodiac Broker Warrant will be exercisable to purchase one Zodiac Share at a price of $0.18 per share for a period of one year from the date of issuance.

SHELLCO FINANCING

On June 20, 2023, ShellCo completed a private placement of ShellCo Shares for gross proceeds of $586,862 at a price of $0.10 per ShellCo Share (after giving effect to the Reorganization). Prior to completing the Transaction, ShellCo intends to complete an additional private placement of ShellCo Shares on the same terms for additional gross proceeds of up to $1,500,000 less the amount raised in the second closing of the Zodiac Financing (such private placements being collectively referred to as the "**ShellCo Financing**"). The proceeds of the ShellCo Financing will be used to pay Transaction expenses, finance exploration and other expenses relating to the Todi Project and the working capital requirements of the Resulting Issuer.

In connection with the second closing of the ShellCo Financing, ShellCo expects to pay "finder fees" to certain brokers whose clients participated in the ShellCo Financing equal to 7% of the aggregate proceeds received from such clients. As additional compensation, ShellCo would also issue ShellCo Warrants to such brokers to purchase that number of ShellCo Shares equal to 7% of the number of ShellCo Shares purchased by such clients ("**ShellCo Broker Warrants**"). Each ShellCo Broker Warrant would be exercisable to purchase one ShellCo Share at a price of $0.18 per share for a period of one year from the date of issuance.

INTERESTS OF INSIDERS, PROMOTERS, AND CONTROL PERSONS

The following table sets forth: (a) the number of Resulting Issuer Shares held by the Insiders, promoters and Control Persons of ShellCo (and their Associates and Affiliates) and the proposed directors, officers and Insiders of the Resulting Issuer (and their Associates and Affiliates) as of the date of this Filing

Statement; and (b) the number of Issuer Shares anticipated to be beneficially held by the foregoing persons upon Closing:

Directors, Officers, Insiders and Control Persons	**Number and Percentage of ShellCo Shares as at the date of this Filing Statement[1]**	**Number and Percentage of Resulting Issuer Shares upon Closing[1]**
David Kol[2] *Current director, promoter and Chief Executive Officer of Zodiac and proposed director and Executive Officer of the Resulting Issuer*	Nil	8,504,125 (11.0%)
Mark Kol[3] *Current director and promoter of Zodiac and proposed director of the Resulting Issuer*	Nil	3,226,508 (4.2%)
Douglas Cater[4] *Current Zodiac director and proposed director of the Resulting Issuer*	Nil	Nil
Graham Warren[5] *Current Zodiac director and proposed director of the Resulting Issuer*	Nil	Nil
Robin McWatt[11] *Current CEO and CFO and director of ShellCo*	Nil	140,000 (0.2%)
Antonio Newson[11] *Current director of ShellCo*	Nil	25,000 (0.03%)
Joshua Rosenkrantz[11] *Current director of ShellCo*	Nil	Nil
Peter Granata[6] *Current interim CFO of Zodiac and proposed CFO of Resulting Issuer*	Nil	976,270 (1.3%)
Efdal Olcer[7] *Current Vice-President, Exploration of Zodiac and proposed Vice-President, Exploration of Resulting Issuer*	Nil	187,504 (0.2%)
Sherry Siu[8] *Current Corporate Secretary of Zodiac and proposed Corporate Secretary of Resulting Issuer*	Nil	Nil

Directors, Officers, Insiders and Control Persons	Number and Percentage of ShellCo Shares as at the date of this Filing Statement(1)	Number and Percentage of Resulting Issuer Shares upon Closing(1)
Sami Abou Darwich(9)(11) *Current Insider of ShellCo*	2,680,000 (14.2%)	4,902,222 (6.4%)
Carole Habib(10)(11) *Current Insider of ShellCo*	2,680,000 (14.2%)	4,161,481 (5.4%)

Notes:

(1) Number and percentage on an undiluted issued and outstanding basis after giving effect to the Transaction, based on an aggregate of 77,068,194 Resulting Issuer Shares expected to be issued and outstanding on Closing assuming that ShellCo raises $1,500,000 and Zodiac does not raise any additional funding in the Subsequent Financing Closings, resulting in the issuance of 15,000,000 Resulting Issuer Shares. If ShellCo raises $1,300,000 and Zodiac raises $200,000 in the Subsequent Financing Closings, an additional 14,111,111 Resulting Issuer Shares will be issued and there will be an aggregate of 76,179,305 Resulting Issuer Shares outstanding. In that scenario, all ownership percentages noted in the table would remain the same except that (i) David Kol would own 11.2% of the outstanding Resulting Issuer Shares and (ii) Carole Habib would own 5.5% of the outstanding Resulting Issuer Shares.
(2) Mr. David Kol will also hold 1,125,000 Resulting Issuer Options.
(3) Mr. Mark Kol will also hold 1,125,000 Resulting Issuer Options and 655,555 Resulting Issuer Warrants.
(4) Mr. Cater will also hold 850,000 Resulting Issuer Options.
(5) Mr. Warren will also hold 850,000 Resulting Issuer Options.
(6) Mr. Granata will also hold 200,000 Resulting Issuer Options.
(7) Mr. Olcer will also hold 250,000 Resulting Issuer Options.
(8) Ms. Siu will also hold 200,000 Resulting Issuer Options.
(9) Mr. Darwich will also hold 1,111,111 Resulting Issuer Warrants.
(10) Ms. Habib will also hold 1,481,481 Resulting Issuer Warrants.
(11) Will not be part of management of the Resulting Issuer.

ARM'S LENGTH PARTY TRANSACTION

The Transaction is an Arm's Length Party transaction under the policies of the TSXV.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

The Resulting Issuer is expected to have approximately $1,623,589 in working capital available on Closing. The Resulting Issuer is expected to use the funds available to it in furtherance of its stated business objectives which are summarized in the following table.

	Estimated Amount
Sources of Funds:	
Estimated working capital as at October 31, 2023(1)	$1,623,589
Total Sources	**$1,623,589**
Principal Purposes of Funds:	

	Estimated Amount
Costs related to the Transaction[2]	$416,000
General and administrative expenses for the first 12 months[3]	$309,600
Todi Project Work Program for first 12 months	$708,895
Unallocated working capital to fund ongoing operations	$189,094
Total Principal Purposes	**$1,623,589**

Notes:

(1) Based on working capital of ShellCo and Zodiac as at October 31, 2023, of $1,844,014 and $(220,425) respectively, inclusive of balance of gross proceeds from Zodiac Financing and ShellCo Financing that is estimated on hand as of October 31, 2023.

(2) Consisting of legal fees, filing fees, accounting fees and other professional advisory fees related to the Transaction.

(3) Comprised of: $101,400 (salaries and consulting fees); $104,300 (professional fees); $36,200 (G&A); $9,900 (filing and transfer agent fees); and $57,800 (miscellaneous payables).

Based on current projections, the Resulting Issuer's working capital available for funding ongoing operations is expected to meet its expenses and the work program for the Todi Project for a minimum period of 12 months commencing immediately following Closing.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for business reasons or unforeseen events, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to affect the planned activities of the Resulting Issuer. For these reasons, management of ShellCo considers it to be in the best interests of the Resulting Issuer and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. Further, the above uses of available funds should be considered estimates. See *"Forward-Looking Information"*.

SELECTED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

The following table contains certain pro forma financial information regarding the Resulting Issuer, assuming Closing occurred on the date of the pro forma financial statements June 30, 2023. This table should be read in conjunction with the pro forma consolidated financial statements of the Resulting Issuer included in this Filing Statement as Appendix C.

Pro Forma Statement of Financial Position

	As at June 30, 2023 (US$)
Current assets	$1,417,848
Total assets	$1,538,346
Current liabilities	$967,761
Total liabilities	$1,203,782
Shareholders' equity	$334,564

The foregoing information should be read in conjunction with the financial statements and reports thereon included in this Filing Statement, being:

(a) interim unaudited financial statements of ShellCo for the six months ended June 30, 2023, and the audited financial statements of ShellCo for the period from incorporation on October 20, 2021 to December 31, 2021 and for the year ended December 31, 2022, attached as Appendix A;

(b) interim unaudited financial statements of Zodiac for the three months ended June 30, 2023, and the audited financial statements of Zodiac for the 12 months ended March 31, 2023, attached as Appendix B; and

(c) unaudited consolidated pro forma statement of financial position of the Resulting Issuer as at June 30, 2023, attached as Appendix C.

MARKET FOR SECURITIES AND MARKET PRICE

Zodiac is not a reporting issuer in any jurisdiction of Canada and no public market exists for its securities. As of the date of this Filing Statement, the ShellCo Shares are not listed or quoted for trading on any stock exchange. Although an application has been made to have the Resulting Issuer Shares listed on the TSXV, any such listing is subject to the approval of the TSXV in accordance with its original listing requirements and there is no assurance that the TSXV or another stock exchange will approve the listing application. The lack of a listing may make it difficult to sell the Resulting Issuer Shares and could lead to the price of the Resulting Issuer Shares being depressed.

CONFLICTS OF INTEREST

Some of the individuals proposed for appointment or acting as directors or officers of the Resulting Issuer upon Closing are also directors, officers, and/or promoters of other reporting and non-reporting issuers. As of the date of this Filing Statement, and to the knowledge of the directors and officers of ShellCo and Zodiac, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals proposed for appointment as directors or officers of the Resulting Issuer following Closing. Conflicts of interest, if any, will be subject to, and will be resolved in accordance with, the procedures and remedies under the BCBCA.

INTEREST OF EXPERTS AND OTHERS

The following opinions or reports have been described or included in this Filing Statement: (i) the auditor's report of ShellCo for the period from incorporation on October 20, 2021 to December 31, 2021 and for the year ended December 31, 2022, is provided by Jones & O'Connell LLP, Chartered Professional Accountants; and (ii) the auditor's report of Zodiac for the 12 months ended March 31, 2023 is provided by McGovern Hurley LLP, Chartered Professional Accountants. Tom Dowrick BSc, CGeol., is the qualified person and author of the Technical Report. Mr. Dowrick advises that he is independent of each of ShellCo and Zodiac, and that he holds no interest in Zodiac's properties. To the knowledge of ShellCo and Zodiac, none of the experts above or their respective Associates or Affiliates, beneficially owns, directly or indirectly, any securities of ShellCo or Zodiac, has received or will receive any direct or indirect interests in the property of ShellCo or Zodiac or is expected to be elected, appointed or employed as a director, officer or employee of ShellCo or any Associate or Affiliate thereof.

RISK FACTORS

Any investment in ShellCo and the Resulting Issuer should be considered highly speculative and the transactions contemplated herein should be considered to be of a high-risk nature. Material risk factors associated with the Transaction, the Resulting Issuer and its business include, but are not limited to: (i) exploration, development and production risks; (ii) risks relating to the Resulting Issuer's substantial capital requirements; (iii) risks relating to the prices of precious metals; (iv) risks regarding mineral resource estimates, if any; (v) environmental risks; (vi) the Resulting Issuer's reliance on key employees and contractors; (vii) potential conflicts of interest between the Resulting Issuer and its directors and officers; and (viii) risks concerning governmental regulations and processing of permits and licenses.

For a comprehensive discussion of the risk factors relating to the Transaction and the Resulting Issuer, see "*Risk Factors*".

CONDITIONAL APPROVAL OF THE TSXV

On November 14, 2023, the TSXV conditionally approved the Transaction subject to ShellCo fulfilling all of the requirements of the TSXV on or before February 12, 2024. There is no assurance that ShellCo will be able to meet all of such requirements. If ShellCo is unable to meet all of such requirements, the Transaction will not be completed.

RISK FACTORS

There are a number of risk factors associated with ShellCo, Zodiac and the Transaction. Upon Closing, Zodiac's current business will be the business of the Resulting Issuer. Accordingly, risk factors relating to Zodiac's current business will be risk factors relating to the Resulting Issuer's business and references to Zodiac in these risk factors should, where the context requires, be read to include the risks to the Resulting Issuer. An investment in the securities of the Resulting Issuer involves significant risks. Investors should carefully consider the risks described below and the other information contained in this Filing Statement before making an investment in the Resulting Issuer. Additional risks and uncertainties not presently known to ShellCo or Zodiac, or that ShellCo or Zodiac currently consider immaterial may also impair the business and operations of the Resulting Issuer and cause the trading price of the Resulting Issuer Shares to decline. If any of the following or other risks occur, the Resulting Issuer's business, prospects, financial condition, results of operations, and cash flows could be materially adversely impacted. In that event, the trading price of the Resulting Issuer Shares could decline, and you could lose all or part of your investment. There is no assurance that risk management steps taken will avoid future loss due to the occurrence of the risks described below or other unforeseen risks.

RISK FACTORS RELATED TO THE TRANSACTION

The Arrangement Agreement May Be Terminated in Certain Circumstances

Each of ShellCo and Zodiac has the right to terminate the Arrangement Agreement and Arrangement under certain circumstances. Accordingly, there is no certainty, nor can ShellCo or Zodiac provide any assurance, that the Arrangement Agreement will not be terminated before the completion of the Transaction.

Assumption of Potential Cost

Certain costs related to the Transaction, such as legal, accounting and certain financial advisor fees, must be paid by Zodiac and ShellCo even if the Transaction is not completed. Zodiac and ShellCo are each liable for their own costs incurred in connection with the Transaction. There are also opportunity costs associated with the diversion of management attention away from the conduct of Zodiac's and ShellCo's business in the ordinary course.

Completion of the Transaction

There are risks associated with the Transaction including (i) that market reaction to the Transaction and the future trading prices of ShellCo Shares cannot be predicted; (ii) uncertainty as to whether the Transaction will have a positive impact on the entities involved therein; and (iii) that there is no assurance that required approvals will be received.

The Resulting Issuer may not realize the anticipated benefits of the Transaction. Achieving the benefits of the Transaction will depend in part on successfully consolidating functions and integrating operations, procedures and personnel in a timely and efficient manner, as well as the Resulting Issuer's ability to realize the anticipated growth opportunities from acquiring the businesses of Zodiac. The required efforts could divert management's focus and resources from other strategic opportunities and from operational matters during the integration process.

The TSXV may not approve the Resulting Issuer's Listing Application

The Resulting Issuer Shares are currently not listed. Although an application has been made to have the Resulting Issuer Shares listed on the TSXV, any such listing is subject to the approval of the TSXV in accordance with its original listing requirements and there is no assurance that the TSXV or another stock exchange will approve the listing application. The lack of a listing may make it difficult to sell the Resulting Issuer Shares and could lead to the price of the Resulting Issuer Shares being depressed.

Failure to obtain or satisfy all shareholder and regulatory requirements necessary for Closing

Closing is subject to, among other things, the approval of Zodiac's Shareholders, issuance by the Court of the Interim Order and Final Order, acceptance of the TSXV and the receipt of all necessary regulatory approvals. There can be no certainty, nor can either party provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. The requirement to take certain actions or to agree to certain conditions to satisfy such requirements or obtain any such approvals may have a material adverse effect on the business and affairs of ShellCo or the trading price of Resulting Issuer Shares after Closing. Unless the failure to obtain required regulatory or third-party approvals or consents would have a material adverse effect on either ShellCo or, upon Closing, the Resulting Issuer, the parties will be required to complete the Transaction notwithstanding the failure to receive such consents and approvals.

Following Closing, the Resulting Issuer may issue additional equity securities

Following Closing, the Resulting Issuer may issue equity securities to finance its activities, including to finance acquisitions. If the Resulting Issuer were to issue additional Resulting Issuer Shares, existing holders of such shares may experience dilution in the Resulting Issuer. Moreover, if the Resulting Issuer's intention to issue additional equity securities becomes publicly known, the Resulting Issuer's share price may be materially adversely affected.

RISKS RELATING TO THE RESULTING ISSUER

Exploration and Development Risks

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. Few properties which are explored are ultimately developed into producing mines. Mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the Resulting Issuer's resource base.

The Resulting Issuer's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These include unusual and unexpected geological formations, rock falls, seismic activity, flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability. Although precautions to minimize risk will be taken, operations are subject to hazards that may result in environmental pollution, and consequent liability that could have a material adverse impact on the business, operations and financial performance of the Resulting Issuer.

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but also from finding mineral deposits that, though present, are insufficient in quantity and quality to return a profit from production. The marketability of minerals acquired or discovered by the Resulting Issuer may be affected by numerous factors which are beyond the control of the Resulting Issuer and which cannot be accurately predicted, such as market fluctuations, the proximity and capacity of milling facilities, mineral markets and processing equipment and such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which factors may result in the Resulting Issuer not receiving an adequate return of investment capital.

There is no assurance that the Resulting Issuer's mineral exploration and development activities will result in any discoveries of commercial bodies of ore. The long-term profitability of the Resulting Issuer's operations will, in part, be directly related to the costs and success of its exploration programs, which may be affected by a number of factors. Substantial expenditures are required to establish reserves through drilling and to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities to justify commercial operations or that funds required for development can be obtained on a timely basis.

No History of Earnings

Zodiac has no history of earnings. The Todi Property is in the exploration stage and there are no known commercial quantities of minerals on the Todi Property. There is no assurance that any of the Resulting Issuer's propertyinterests will generate earnings, operate profitably or provide a return on investment in the future. The Resulting Issuer has not paid dividends in the past and has no plans to pay dividends for the foreseeable future.

Negative Cash Flow from Operations

Zodiac has negative operating cash flow. The failure of the Resulting Issuer to achieve profitability and positive operating cash flows could have a material adverse effect on the Resulting Issuer's financial condition and results of operations. The Resulting Issuer expects to continue to have negative cash flow in future periods, the Resulting Issuer expects to deploy a portion of its cash reserves to fund such negative cash flow. The Resulting Issuer expects to continue to sustain operating losses in the future until it generates revenue from the commercial production of its properties. There is no guarantee that the Resulting Issuer will ever be profitable.

Financing Risks

Additional funding will be required to complete future exploration programs on the Todi Property and to conduct any other exploration programs. If proposed exploration programs are successful, additional funds will be required for the development of any economic mineral body and to place it in commercial production. The only sourcesof future funds presently available to the Resulting Issuer are the sale of equity capital, or the offering by the Resulting Issuer of an interest in its properties to be earned by another party or parties carrying out exploration or development thereof. There is no assurance that any such funds will be available or will be available on terms favourable to the Resulting Issuer. Failure to obtain additional financing on a timely basis could cause the Resulting Issuer to reduce, delay, indefinitely postpone or terminate exploration, development or production of the Resulting Issuer's property interests or other acquired properties.

The ability of the Resulting Issuer to arrange such financing in the future will depend, in part, upon prevailing capital market conditions as well as the business success of the Resulting Issuer. There can be no assurance that the Resulting Issuer will be successful in its efforts to arrange additional financing on terms satisfactory to the Resulting Issuer. If additional financing is raised by the issuance of Resulting Issuer Shares from treasury, control of the Resulting Issuer may change and shareholders may suffer additional dilution. Events in the equity market may impact the Resulting Issuer's ability to raise additional capital in the future.

Limited Operating History

Zodiac has a limited operating history. As such, the Resulting Issuer will be subject to all of the business risks and uncertainties associated with any new business enterprise, including undercapitalization, cash shortages, and limitations with respect to personnel, financial and other resources and lack of revenues. The current state of the Todi Property requires significant additional expenditures before any cash flow may be generated. Although the Resulting Issuer possesses an experienced management team, there is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and the likelihood of success of the Resulting Issuer must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. There is no assurance that the Resulting Issuer can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

An investment in the Resulting Issuer's securities carries a high degree of risk and should be considered speculative by purchasers. There is no assurance that the Resulting Issuer will be successful in achieving a return on shareholders' investment and the likelihood of the Resulting Issuer's success must be considered in light of its early stage of operations. Prospective purchasers should consider any purchase of the Resulting Issuer's securities in light of the risks, expenses and problems frequently encountered by all companies in the early stages of their corporate development.

Discretion Regarding Available Funds

The Resulting Issuer currently intends to allocate its available funds as of Closing as described below under "*Part III – Information Concerning the Resulting Issuer – Available Funds and Principal Purposes*". However, the Resulting Issuer's management will have discretion in the actual application of its available funds. The Resulting Issuer may elect to allocate proceeds differently than as described in this Listing Statement if management believes it would be in the Resulting Issuer's best interests to do so. The failure by the Resulting Issuer's management to apply these funds effectively could have a material adverse effect on the Resulting Issuer, its business or its financial performance.

Ability of the Resulting Issuer to Continue as a Going Concern

The Resulting Issuer is in the exploration stage and is currently seeking additional capital to develop its exploration properties. The Resulting Issuer's ability to continue as a going concern is dependent upon its ability in the future to achieveprofitable operations and, in the meantime, to obtain the necessary financing to meet its obligations and repay its liabilities when they become due. External financing, predominantly by the issuance of equity and debt, will be soughtto finance the operations of the Resulting Issuer; however, there can be no certainty that such funds will be available at terms acceptable to the Resulting Issuer. These conditions indicate the existence of material uncertainties that may cast significantdoubt about the Resulting Issuer's ability to continue as a going concern.

Emerging Markets Risks

Zodiac's operations in Liberia are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include, but are not limited to, military repression; extreme fluctuations in currency exchange rates; high rates of inflation; labour unrest; the risk of terrorism, terrorist actions; sabotage or other security risks; the risks of war or civil unrest; expropriation and nationalization; renegotiation or nullification of existing concessions, licences, permits and contracts; the failure of foreign parties or governments to honour contractual relations; illegal mining; changes in tax policies; unexpected changes in mining codes and mining laws; restrictions on foreign exchange and repatriation of funds; restrictions on Zodiac's ability to access or deal with its assets; opposition to mining from environmental or other non- governmental organizations; health risks associated with the mining workforce; increased financing costs; and changing political conditions, currency controls and governmental regulations that favour or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction. Zodiac's operations may also be adversely affected in varying degrees by economic instability; economic or other sanctions imposed by other nations; terrorism; crime; and risk of corruption, including violations under U.S. and Canadian foreign corrupt practices statutes, as well as comparable legislation in other jurisdictions. The economy and political systems of Liberia should be considered by investors to be less predictable and less stable than in countries such as Canada and the United States.

Changes, if any, in natural resource or investment policies and accompanying mining laws or shifts in political attitude may adversely affect the Resulting Issuer's business, financial conditions, results of operations and prospects. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety, as well as known or unknown or unexpected changes in law to any of the foregoing matters. The Resulting Issuer does not currently maintain "political risk" insurance.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in the loss, reduction or expropriation of entitlements, or the imposition of additional local or foreign parties as joint venture partners with carried or other interests.

The political risk in Liberia is significant due to prolonged periods of economic and political instability. Two civil wars were fought in Liberia from 1989-1996 and 1996-2003. Whilst the country has undergone democratic elections, future civil unrest remains a possibility and no assurances can be made that political stability will be maintained. Although since 2006 Liberia has made considerable progress in rebuilding its government institutions and economy, it will need to continue to rely on international support for security and economic assistance to ensure that these efforts are successful in creating a stable and more prosperous future for its citizens. Accordingly, there are still considerable risks (as well as opportunities) in carrying on business in Liberia for foreign corporations.

The legal system in Liberia is different to that of Canada. This could result in risks such as: (i) potential difficulties in obtaining effective legal redress in the courts of such jurisdictions whether in respect of breach of law or regulation, or in an ownership dispute; (ii) a higher degree of discretion on the part of governmental authorities; (iii) the lack of judicial or administrative guidance on interpreting applicable rules and regulations; (iv) inconsistencies or conflicts between within various laws, regulation, decrees, orders and resolutions; and (v) relative inexperience of judiciary and courts in such matters.

In certain jurisdictions the commitment of local business people, government officials and agencies the judicial system to abide by legal requirements and negotiated agreements may be more uncertain. In particular, agreements in place may be susceptible to revision or cancellation and legal redress may uncertain or delayed. There can be no assurance that licences, licence applications or other arrangements will not be adversely affected by the actions of government authorities or others and effectiveness of and enforcement of such arrangements in these jurisdictions cannot be assured.

Malaria, Ebola and other diseases represent a threat to maintaining a skilled workforce in the mining industry in Liberia. There can be no assurance that the Resulting Issuer will not lose members of its workforce and workforce man-hours or incur increased medical costs as a result of these high health risks, which may have a material adverse effect on the Resulting Issuer's operations.

Reliability of Historical Information

The Resulting Issuer has relied on, and the disclosure in the Technical Report is based, in part, upon historical data compiled by previous parties involved with the Todi Project.

Acquisition of Additional Mineral Properties

If the Resulting Issuer abandons or loses its interest in the Todi Project, there is no assurance that the Resulting Issuer will be able to acquire another mineral property of merit or that such an acquisition would be approved by the TSXV or applicable authorities. There is also no guarantee that the TSXV will approve the acquisition of any additional mineralproperty interests by the Resulting Issuer, whether by way of an option or otherwise should the Resulting Issuer wish to acquire any additional property interests.

Permits and Government Regulations

The future operations of the Resulting Issuer may require permits from various Liberian government authorities and will be governed by Liberian laws and regulations governing prospecting, development, mining, production, export, taxes, labour standards, occupational health, waste disposal, land use, environmental protections, mine safety and other matters. Companies engaged in exploration activities and in the development and operation of mines and related facilities may experience increased costs and delays in exploration, production and other schedules as a result of the need to comply with applicable laws, regulations and permits. Permits are subject tothe discretion of government authorities and there can be no assurance that the Resulting Issuer will be successful in obtaining all required permits. Further, there can be no assurance that the Resulting Issuer will be able to obtain all necessarypermits and approvals that may be required to undertake exploration activity or commence construction or operation of mine facilities on the Todi Project. The Resulting Issuer currently holds an EPA permit that allows for exploration work and small-scale mining to take place on the property.

Environmental and Safety Regulations and Risks

Environmental laws and regulations may affect the operations of the Resulting Issuer. These laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted. The permission to operate can be withdrawn temporarily where there is evidence of serious breaches of health and safety standards, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Resulting Issuer for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or non-compliance with environmental laws or regulations. In all major developments, the Resulting Issuer generally relies on recognized designers and development contractors from which the Resulting Issuer will, in the first instance, seek indemnities. The Resulting Issuer intends to minimize risks by taking steps to ensure compliance with environmental, health and safety laws and regulations and operating to applicable environmental standards. There is a risk that environmental laws and regulations may become more onerous, making the Resulting Issuer's operations more expensive.

Mineral Titles

The ownership and validity or title of unpatented mining claims and concessions are often uncertain and may be contested. The Resulting Issuer also may not have, or may not be able to obtain, all necessary surface rights to develop a property. The Resulting Issuer has taken reasonable measures, in accordance with industry standards for properties at the same stage of exploration as that of the Resulting Issuer, to ensure proper title to the Resulting Issuer's properties. However, there is no guarantee that title to any of its properties will not be challenged or impugned. Title insurance generally is not available for mining claims in Liberia and the Resulting Issuer's ability to ensure that it has obtained secure claim to individual mineral properties may be limited. The Resulting Issuer's properties may be subject to prior unregistered liens, agreements, transfers or claims, including native land claims and title may be affected by, among other things, undetected defects. In addition, the Resulting Issuer may be unable to operate the properties as permitted or to enforce its rights with respect to its properties. The failure to comply with all applicable laws and regulations, including a failure to pay taxes or annual claim maintenance fees may invalidate title to portions of the Resulting Issuer's properties. The Resulting Issuer may incur significant costs related to defending the title to its properties. A successful claim contesting title to a property may cause the Resulting Issuer to compensate other persons or perhaps reduce its interest in the affected property or lose our rights to explore and, if warranted, develop that property. This could result in the Resulting Issuer not being compensated for its prior expenditures relating to the property. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and, if warranted, development programs.

In particular, title to the Todi Project or Zodiac's reconnaissance licenses in Liberia may come under dispute. While the Resulting Issuer has diligently investigated title considerations to its mineral property and has obtained a title opinion with respect to the Todi Project from legal counsel in Liberia, in certain circumstances, the Resulting Issuer has only relied on representations of property partners and government agencies and the boundary of the Todi Property has not been legally surveyed. There is no guarantee of title to the Todi Property. However, the Resulting Issuer is satisfied that evidence of title to the Todi Property is adequate and acceptable by prevailing industry standards with respect to the current stage of exploration on the Todi Property.

Global Economy Risk

The volatility of global capital markets over the past several years, and the recent increase in inflation and interest rates, has generally made the raising of capital by equity or debt financing more difficult. The Resulting Issuer may be dependent upon capital markets to raise additional financing in the future. As such, the Resulting Issuer is subject to liquidity risks in meeting its operating expenditure requirements and future development cost requirements in instances where adequate cash positions are unable to be maintained or appropriate financing is unavailable. These factors may impact the ability to raise equity or obtain loans and other credit facilities in the future and on terms favourable to the Resulting Issuer and its management. If these levels of volatility or high inflation and interest rates persist or if there is a further economic slowdown, the Resulting Issuer's operations, the Resulting Issuer's ability to raise capital and the trading price of the Resulting Issuer's securities could be adversely impacted.

In addition, any future emergence and spread of COVID-19 or similar pathogens, pandemics or epidemics could have a material adverse impact on global economic conditions, which may adversely impact: the market price of the Common Shares, the Resulting Issuer's operations, its ability to raise debt or equity financing for the purposes of mineral exploration and development, and the operations of the Resulting Issuer's suppliers, contractors and service providers.

Environmental Risks

Zodiac's existing and planned future activities are subject to extensive laws and regulations governing environment protection and could also be subject to various reclamation related conditions. Although Zodiac closely follows and believes it is operating in compliance with all applicable environmental regulations, there can be no assurance that all future requirements will be obtainable on reasonable terms. Failure to comply may result in enforcement actions causing operations to cease or be curtailed and may include corrective measures requiring capital expenditures. Intense lobbying over environmental concerns by nongovernmental organizations has caused some governments to cancel or restrict development of mining projects. Current publicized concern over climate change may lead to carbon taxes, requirements for carbon offset purchases or new regulation. The costs or likelihood of such potential issues to the Resulting Issuer cannot be estimated at this time.

The legal framework governing this area is constantly developing, therefore the Resulting Issuer is unable to fully ascertain any future liability that may arise from the implementation of any new laws or regulations, although such laws and regulations are typically strict and may impose severe penalties (financial or otherwise). The proposed activities of the Resulting Issuer, as with any exploration, may have an environmental impact which may result in unbudgeted delays, damage, loss and other costs and obligations including, without limitation, rehabilitation and/or compensation. There is also a risk that the Resulting Issuer's operations and financial position may be adversely affected by the actions of environmental groups, or any other group or person opposed in general to the Resulting Issuer's activities and, in particular, the proposed exploration and mining by the Resulting Issuer in Liberia.

Climate Change Risks

The Resulting Issuer acknowledges climate change as an international and community concern, and it supports and endorsesvarious initiatives for voluntary actions consistent with international initiatives on climate change. However, in addition to voluntary actions, governments are moving to introduce climate change legislation and treaties at the international, national, provincial and local levels. Where legislation already exists, regulation relating to emission levels and energy efficiency is becoming more stringent. Some of the costs associated with reducing emissions can beoffset by increased energy efficiency and technological innovation. However, if the current regulatory trend continues,the Resulting Issuer expects that this could result in increased costs in the future.

The Resulting Issuer and the mining industry are facing continued geotechnical challenges, which could adversely impact the Resulting Issuer's production and profitability, if the Resulting Issuer's mineral properties are developed from exploration properties to full production properties. Unanticipated adverse geotechnical and hydrotechnical conditions, such as landslides, floods, seismic activity, and droughts, may occur in the future and such events may not be detected in advance. Geotechnical instabilities and adverse climate conditions can be difficult to predict and are often affected by risks and hazards outside of the Resulting Issuer's control, such as severe weather and considerable rainfall. Geotechnical failures could result in limited or restricted access to mine sites, suspension of operations, government investigations, increased monitoring costs, and remediation.

Social and Environmental Activism

There is an increasing level of public concern relating to the effects of mining on the natural landscape, in communitiesand on the environment. Certain non-governmental organizations, public interest groups and reporting organizations ("**NGOs**") who oppose resource development can be vocal critics of the mining industry. In addition, there have been local community groups who have opposed resource extraction activities, which has resulted in disruption and delaysto the relevant operation. While the Resulting Issuer seeks to operate in a socially responsible manner, NGOs or local community organizations could direct adverse publicity against and/or disrupt the operations of the Resulting Issuer, regardless of its successful compliance with social and environmental best practices. Any such actions and the resulting media coverage could have an adverse effect on the reputation and financial condition of the Resulting Issuer or its relationship with local communities, which could have a material adverse effect on the Resulting Issuer's business, financialcondition, results of operations, cash flow or prospects.

Dependence on One Project

Zodiac is currently allocating substantially all of its financial resources and efforts on exploring, developing and operating the Todi Property. While the Resulting Issuer may acquire additional mining and exploration projects in the future, the Todi Property will initially be the Resulting Issuer's only material mineral exploration project. Therefore, any adverse conditions or events affecting the Todi Property could materially and adversely affect the Resulting Issuer.

Management

The Resulting Issuer believes that its growth and success depends in significant part on the continued employment of Zodiac's executive officers and key technical personnel. The Resulting Issuer must also continue to attract and retain key management, technical, finance and operating personnel. Experienced management and other highly skilled personnelare in great demand. If the Resulting Issuer is unable to attract or retain key personnel, it could have a material adverse effecton the Resulting Issuer's business, results of operations, financial condition and prospects.

Dependence on Outside Parties

Substantial expenditures are required to carry out exploration work on the Todi Property. The Resulting Issuer may rely on outside consultants, engineers and others for its exploration and development expertise. If such parties' work is deficient or negligent or is not completed in a timely manner, it could have a material adverse effect on the Resulting Issuer.

Litigation Risks

All industries, including the mining industry, may be made subject to legal claims, with and without merit. Defence and settlement costs can be substantial, even with respect to claims that have no merit. Due to the inherent uncertaintyof litigation process, the resolution of any particular legal proceeding could have a material adverse effect on the Resulting Issuer's business, results of operations, financial condition and prospects.

Fluctuating Mineral Prices and Currency Risk

If the Resulting Issuer's mineral properties are developed from exploration properties to full production properties, the majority of its revenue will be derived from the sale of gold. Therefore, the Resulting Issuer's future profitability will depend upon the world market prices of the gold for which it is exploring. The price of gold and other metals are affected by numerous factors beyond the Resulting Issuer's control, including levels of supply and demand, global or regional consumptive patterns, metal stock levels maintained by producers and others, including use of metal as collateral in financings, increased production due to new mine developments and improved mining and production methods, speculative activities related to the sale of metals, availability and costs of metal substitutes.

Moreover, gold prices are also affected by macroeconomic factors such as expectations regarding inflation, interest rates and global and regional demand for, and supply of, gold as well as general global economic conditions. These factors may have an adverse effect on the Resulting Issuer's exploration and any development and production activities, as well as on its ability to fund those activities.

Competition

The mineral exploration industry is intensely competitive in all of its phases and the Resulting Issuer must compete in all aspects of its operations with a substantial number of large established mining companies with greater liquidity, greater access to credit and other financial resources, newer or more efficient equipment, lower cost structures, more effective risk management policies and procedures and/or greater ability than the Resulting Issuer to withstand losses. The Resulting Issuer's competitors may be able to respond more quickly to new laws or regulations or emerging technologies or devote greater resources to the expansion of their operations, than the Resulting Issuer can. In addition, current and potential competitors may make strategic acquisitions or establish cooperative relationships among themselves or with third parties. Competition could adversely affect the Resulting Issuer's ability to acquire suitable new producing properties or prospects for exploration in the future. Competition could also affect the Resulting Issuer's ability to raise financing to fund exploration and development or to hire qualified personnel. The Resulting Issuer may not be able to compete successfully against current and future competitors, and any failure to do so could have a material adverse effect on the Resulting Issuer's business, financial condition or results of operations.

Conflicts of Interest

Some of the directors and officers are, and may continue to be, involved in the mining and mineral exploration industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of the Resulting Issuer. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors and officers may conflict with the interests of the Resulting Issuer. Directors andofficers of the Resulting Issuer with conflicts of interest will be subject to and will follow the procedures set out in applicable corporate and securities legislation, regulation, rules and policies.

Crime and Business Corruption Risk

The Resulting Issuer will conduct business in regions which have experienced high levels of business corruption and other criminal activity. The Resulting Issuer is required to comply with applicable anti-bribery laws, including the *Canadian Corruption of Foreign Public Officials Act*, as well as local laws in all areas in which the Resulting Issuer does business. These, among other things, include laws in respect of the monitoring of financial transactions and provide a framework for the prevention and prosecution of corruption offences, including various restrictions and safeguards. However, there can be no guarantee that these laws will be effective in identifying and preventing money laundering and corruption. The failure of the government in Liberia to continue to fight corruption or the perceived risk of corruption could have a material adverse effect on the local economies. Any allegations of corruption in Liberia or evidence of money laundering could adversely affect Liberia's ability to attract foreign investment and thus have an adverse effect on its economy which in turn could have a material adverse effect on the Resulting Issuer's business, results of operations, financial condition and prospects. Moreover, findings against the Resulting Issuer, the directors, the officers or the employees of the Resulting Issuer, or their involvement in corruption or other illegal activity could result in criminal or civil penalties, including substantial monetary fines, against the Resulting Issuer, the directors, the officers or the employees of the Resulting Issuer. Any government investigations or other allegations against the Resulting Issuer, the directors, the officers or the employees of the Resulting Issuer, or finding of involvement in corruption or other illegal activity by such persons, could significantly damage the Resulting Issuer's reputation and its ability to do business and could materially adversely affect its financial condition and results of operations.

Foreign Exchange Rate Fluctuations

Operations in Liberia are subject to foreign currency exchange fluctuations with respect to the official currency of Liberia and the Resulting Issuer may suffer losses due to adverse foreign currency fluctuations.

Natural Resource Properties are Largely Contractual in Nature

Parties to contracts do not always honour contractual terms and contracts themselves may be subject to interpretation or technical defects. Accordingly, there may be instances where the Resulting Issuer would be forced to take legal action to enforce its contractual rights. Such litigation may be time consuming and costly and there is no guarantee of success. Any pending proceedings or actions or any decisions determined adversely to the Resulting Issuer, may have a material and adverse effect on the Resulting Issuer's results of operations, financial condition and the trading price of the Resulting Issuer Shares.

Commodity Markets

The price of the Resulting Issuer's securities, its financial results, and its access to the capital required to finance its exploration activities may in the future be adversely affected by declines in the price of precious and base metals and, in particular, the price of gold. Precious metal prices fluctuate widely and are affected by numerous factors beyond the Resulting Issuer's control such as the sale or purchase of precious metals by various dealers, central banks and financial institutions, interest rates, exchange rates, inflation or deflation, currency exchange fluctuation, global and regional supply and demand, production and consumption patterns, speculative activities, increased production due to improved mining and production methods, government regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals, environmental protection, and international political and economic trends, conditions and events. If these or other factors continue to adversely affect the price of gold, the market price of the Resulting Issuer's securities may decline.

Market Fluctuation and Commercial Quantities

The market for minerals is influenced by many factors beyond the Resulting Issuer's control, including without limitation the supply and demand for minerals. In addition, the metals industry in general is intensely competitive and there is no assurance that, even if apparently commercial quantities and qualities of metals (such as gold) are discovered, a market will exist for their profitable sale. Commercial viability of precious and base metals and other mineral deposits may be affected by other factors that are beyond the Resulting Issuer's control, including particular attributes of the deposit such as its size, quantity and quality, the cost of mining and processing, proximity to infrastructure, the availability of transportation and sources of energy, financing, government legislation and regulations including those relating to prices, taxes, royalties, land tenure, land use, import and export restrictions, exchange controls, restrictions on production, and environmental protection. It is impossible to assess with certainty the impact of various factors that may affect commercial viability such that any adverse combination of such factors may result in the Resulting Issuer not receiving an adequate return on invested capital or having its mineral projects be rendered uneconomic.

Insurance and Uninsured Risks

The Resulting Issuer's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment, natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the Resulting Issuer's properties or the properties of others, delays in the ability to undertake exploration, monetary losses and possible legal liability.

Although the Resulting Issuer may maintain insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with a mining company's operations. The Resulting Issuer may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Resulting Issuer or to other companies in the mining industry on acceptable terms. The Resulting Issuer might also become subject to liability for pollution or other hazards which it may not be insured against or which the Resulting Issuer may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the Resulting Issuer to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Liquidity

The Resulting Issuer cannot predict at what prices the Resulting Issuer Shares will trade following Closing, and there can be no assurance that an active trading market in the Resulting Issuer Shares will develop or be sustained. In particular, the market for shares in smaller public companies is less liquid than for larger public companies. Consequently, the price of the Resulting Issuer Shares may be subject to greater fluctuation and may be difficult to sell. There is a significant liquidity risk associated with an investment in the Resulting Issuer Shares.

Market for Securities and Volatility of Share Price

There can be no assurance that an active trading market in the Resulting Issuer's securities will be established or sustained. The market price for the Resulting Issuer's securities could be subject to wide fluctuations. Factors such as announcements of quarterly variations in operating results, as well as market conditions in the junior exploration industry, may have a significant adverse impact on the market price of the securities of the Resulting Issuer. The stock market has from time to time experienced extreme price and volume fluctuations, which have often been unrelated to the operating performance of a particular company.

Market Price of Resulting Issuer Shares

The Resulting Issuer Shares do not currently trade on any exchange or market. Securities of micro-cap and small-cap companies have experienced substantial volatility in the past, often based on factors unrelated to the financial performance or prospects of the companies involved. These factors include macroeconomic developments in North America and globally and market perceptions of the attractiveness of particular industries. The price of the Resulting Issuer Shares is also likely to be significantly affected by short-term changes in mineral prices or in its financial condition or results of operations as reflected in its quarterly financial reports. Other factors unrelated to the Resulting Issuer's performance that may have an effect on the price of the Resulting Issuer Shares include the following: (i) the extent of analytical coverage available to investors concerning the Resulting Issuer's business may be limited if investment banks with research capabilities do not follow the Resulting Issuer's securities; (ii) lessening in trading volume and general market interest in the Resulting Issuer's securities may affect an investor's ability to trade significant numbers of Resulting Issuer Shares; (iii) the size of the Resulting Issuer's public float may limit the ability of some institutions to invest in the Resulting Issuer's securities; and (iv) a substantial decline in the price of the Resulting Issuer Shares that persists for a significant period of time could cause the Resulting Issuer's securities, if listed on an exchange, to be delisted from such exchange, further reducing market liquidity.

As a result of any of these factors, the market price of the Resulting Issuer Shares at any given point in time may not accurately reflect the Resulting Issuer's long-term value. Securities class action litigation often has been brought against companies following periods of volatility in the market price of their securities. The Resulting Issuer may in the future be the target of similar litigation. Securities litigation could result in substantial costs and damages and divert management's attention and resources.

The fact that no market currently exists for the Resulting Issuer Shares may affect the pricing of the Resulting Issuer Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Resulting Issuer Shares and the extent of the regulations to which the Resulting Issuer is subject.

Selling Off of Shares

To the extent that any issued and outstanding Resulting Issuer Shares are sold into the market, there may be an oversupply of shares and an undersupply of purchasers. If this occurs the market price for the Resulting Issuer Shares may decline significantly and investors may be unable to sell their shares at a profit, or at all.

Surface Access Risk

Certain surface rights in respect of the Resulting Issuer's properties are subject to the interests of certain indigenous communities and private landholders. While Zodiac has agreements or understandings in place with these groups and entities, which Zodiac believes will be sufficient to pursue its business, there can be no guarantee that these agreements and understandings will remain in place or continue to be sufficient.

Internal Controls

The Resulting Issuer may face risks if there are deficiencies in its internal controls over financial reporting and disclosure controls and procedures. Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external reporting purposes. Management is responsible for establishing and maintaining adequate internal controls over financial reporting appropriate to the nature and size of the Resulting Issuer. The Resulting Issuer Board, in conjunction with its Audit Committee, will be responsible for assessing the progress and sufficiency of internal controls over financial reporting and disclosure controls and procedures and will make adjustments as necessary. However, these initiatives may not be effective at remedying any deficiencies in internal control over financial reporting and disclosure controls and procedures. Any deficiencies, if uncorrected, could result in the Resulting Issuer's financial statements being inaccurate and in future adjustments or restatements of its financial statements, which could have a material adverse effect on the Resulting Issuer's business, financial condition and results of operations, and the price of the Resulting Issuer Shares.

PART I – THE TRANSACTION

Overview

On June 20, 2023, ShellCo and Zodiac entered into the Letter of Intent pursuant to which they agreed to proceed with the Transaction.

ShellCo and Zodiac entered into the Arrangement Agreement on August 15, 2023. The Arrangement Agreement supersedes and replaces the Letter of Intent.

Pursuant to the Arrangement Agreement, among other things, ShellCo proposes to acquire all of the issued and outstanding Zodiac Shares in exchange for ShellCo Shares by way of a court-approved plan of arrangement under the BCBCA.

Pursuant to the Arrangement, ShellCo will acquire all of the issued and outstanding Zodiac Shares, including all of the Zodiac Shares issued in connection with the Zodiac Financing, in exchange for the issuance of Post-Reorganization ShellCo Shares on the basis of the Exchange Ratio at a deemed price of $0.18 per share. Assuming that there will be 56,345,305 Zodiac Shares issued and outstanding immediately prior to Closing, a total of 56,345,305 ShellCo Shares will be issued to the Zodiac Shareholders under the Arrangement representing aggregate deemed consideration of $10,142,155. In addition, all of the issued and outstanding Zodiac Options and Zodiac Warrants will be exchanged for Resulting Issuer Options and Resulting Issuer Warrants having equivalent terms on a one-for-one basis.

In addition to the exchange of Zodiac Shares, Zodiac Options and Zodiac Warrants for Post-Reorganization ShellCo Shares, Resulting Issuer Options and Resulting Issuer Warrants, the Transaction contemplates a number of related steps and transactions, including the Zodiac Financing, the ShellCo Financing, the Zodiac Shareholder Meeting, the Reorganization, the change of the name of the name of the Resulting Issuer to "Zodiac Gold Inc." (or such other name as may be determined by Zodiac) and the reconstitution of the board of directors and officers of the Resulting Issuer.

Upon completion of the transactions contemplated in the Arrangement Agreement, Zodiac will be a wholly-owned subsidiary of ShellCo, the shareholders of ShellCo and Zodiac immediately prior to the completion of the Transaction (including shareholders who acquired their shares pursuant to the ShellCo Financing and the Zodiac Financing, assuming that Zodiac raises $0 and ShellCo raises $1,500,000 in the Subsequent Financing Closings) will hold 21,834,000 and 55,345,305 Resulting Issuer Shares, respectively (representing 28% and 72%, respectively, of the outstanding Resulting Issuer Shares on a non diluted basis), and there will be a total of 76,179,305 Resulting Issuer Shares, 6,065,000 Resulting Issuer Options and 30,634,248 Resulting Issuer Warrants issued and outstanding. If Zodiac raises $200,000 and ShellCo raises $1,300,000 in the Subsequent Financing Closings) will hold 19,834,000 and 56,345,305 Resulting Issuer Shares, respectively (representing 26% and 74%, respectively, of the outstanding Resulting Issuer Shares on a non diluted basis), and there will be a total of 76,179,305 Resulting Issuer Shares, 6,065,000 Resulting Issuer Options and 31,267,580 Resulting Issuer Warrants issued and outstanding. See "*Information Concerning the Resulting Issuer – Pro Forma Consolidated Capitalization*".

The Transaction is an Arm's Length Transaction. Upon Closing, the Resulting Issuer will be engaged in the existing business of Zodiac and will become a Tier 2 Mining Issuer under the policies of the TSXV. See *"Information Concerning the Resulting Issuer".*

It is currently contemplated that Closing will take place in December 2023, however Closing is conditional on a number of factors which are, in part, beyond the parties' control, including the approval of the Exchange. The Arrangement Agreement sets an outside date for Closing of December 31, 2023.

The Arrangement Agreement

The Arrangement Agreement sets out the terms and conditions upon which the Arrangement will be completed.

It includes customary representations and warranties by each party in favour of the other party, covenants by each party with respect to the completion of the Arrangement Agreement, conditions of closing and the circumstances in which the Arrangement may be terminated. The closing conditions set out in the Arrangement Agreement include receipt of all necessary shareholder, court and regulatory approvals (including TSXV approval for the listing of the Resulting Issuer Shares), the continued accuracy of each party's representations and warranties set out in the Arrangement Agreement, the performance by each party of its obligations under the Arrangement Agreement, the resignation of all of ShellCo's existing directors and officers, the completion of the Zodiac Financing and the absence of any Material Adverse Effect (as defined in the Arrangement Agreement) with respect to either ShellCo or Zodiac since the date of the Arrangement Agreement.

The foregoing is not a complete summary of the Arrangement Agreement and is qualified in its entirety by reference to the full text of the Arrangement Agreement. A copy of the Arrangement Agreement is available for review on ShellCo's SEDAR profile at www.sedarplus.ca.

The Interim Order and the Zodiac Shareholder Meeting

The hearing for the Interim Order under the BCBCA is scheduled for November 14, 2023.

The anticipated date for the Zodiac Shareholder Meeting is November 27, 2023.

Dissent Rights

Zodiac Shareholders have the opportunity to exercise statutory rights of dissent with respect to the Arrangement in accordance with the Plan of Arrangement and the Interim Order. As ShellCo Shareholders are not required to approve the Arrangement, they do not have dissent rights in respect of the Arrangement.

The Final Order

The anticipated date for the hearing for the Final Order under the BCBCA is November 29, 2023.

Closing of the Transaction

Under the Arrangement, the Effective Date, being the date upon which the Arrangement becomes effective, is defined as the date that is three business days after the last of the conditions precedent to the completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived or such other date as is agreed to in writing between ShellCo and Zodiac. It is anticipated that the Closing will occur in December, 2023. The Arrangement Agreement sets out an outside date for Closing of December 31, 2023.

Post-Closing Steps

Appointment of Directors and Officers

The following individuals will be appointed as directors and officers of the Resulting Issuer with effect from and subject to Closing:

<u>Directors</u>:

David Kol
Mark Kol
Douglas Cater
Graham Warren

<u>Officers</u>:

David Kol	Chief Executive Officer
Efdal Olcer	Vice President of Exploration
Peter Granata	Chief Financial Officer
Sherry Siu	Corporate Secretary

For more information on the above directors and officers, see "*Information Concerning the Resulting Issuer – Directors, Officers and Promoters*". For a discussion on the compensation to be awarded to the above directors and officers, see "*Information Concerning the Resulting Issuer – Executive Compensation*" and "*Information Concerning the Resulting Issuer – Options to Purchase Securities*".

PART II - INFORMATION CONCERNING SHELLCO

The following information is presented on a pre-Transaction basis and prior to giving effect to the Transaction. See "Part V – Information Concerning the Resulting Issuer" for pro forma business, financial, and share capital information relating to the Resulting Issuer.

CORPORATE STRUCTURE

Name and Incorporation

ShellCo was incorporated under the BCBCA on October 20, 2021. 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. As of the date hereof, ShellCo has not commenced commercial operations and has no assets other than cash. ShellCo's head and registered office is located at Suite 3606 - 833 Seymour Street, Vancouver, British Columbia, V6B 0G4.

General Development of the Business

ShellCo was originally a wholly-owned subsidiary of Veta until a plan of arrangement was completed on February 18, 2022, under which all of the ShellCo Shares were distributed to shareholders of Veta on a pro-rata basis. At the time of the spinout, ShellCo did not have any material assets and did not carry on business and following completion of the arrangement, neither the company nor any of its subsidiaries had any material assets or carried on any active business, other than the identification and evaluation of potential acquisitions of value accreting assets or businesses.

On June 20, 2023, the controlling shareholder of ShellCo and certain of its affiliates sold a total of 20,323,008 pre-Reorganization ShellCo Shares, representing approximately 90% of the then outstanding ShellCo Shares, to a group of six separate purchasers. Concurrently with this transaction, ShellCo completed an initial closing of the ShellCo Financing pursuant to which it issued 78,662,703 pre-Reorganization ShellCo Shares at a price of between $0.007 and $0.00746 per share for gross proceeds of $586,862.

On June 20, 2023, ShellCo entered into the Letter of Intent with Zodiac pursuant to which they agreed to proceed with the Transaction.

On August 3, 2023 and October 19, 2023, ShellCo entered into the Promissory Notes with Zodiac.

On August 15, 2023, ShellCo entered into the Arrangement Agreement with Zodiac. The Arrangement Agreement supersedes and replaces the Letter of Intent.

The Reorganization

On October 26, 2023, ShellCo completed the ShellCo Share Consolidation, pursuant to which the issued and outstanding pre-Reorganization ShellCo Shares were consolidation on the basis of one post-consolidation ShellCo Share for every 957,100 pre-consolidation ShellCo Shares. This reduced the number of issued and outstanding ShellCo Shares from 101,253,453 to 102. Pursuant to the ShellCo Share Consolidation, ShellCo Shareholders who would have held less than one whole ShellCo Share after giving effect to the ShellCo Share Consolidation received, in lieu of a fraction of a post-consolidation ShellCo Share, $0.007 in cash for each pre-consolidation ShellCo Share held (which is equivalent to $0.10 per Post-Reorganization ShellCo Share).

On October 26, 2023, following the ShellCo Share Consolidation, ShellCo completed the ShellCo Share Split, pursuant to which each issued and outstanding ShellCo Share was split into 67,000 ShellCo Shares. This increased the number of issued and outstanding ShellCo Shares from 102 to 6,834,000. Any fractional shares that would have otherwise been issued as a result of the ShellCo Share Split were rounded up or down to the nearest whole number of shares.

The overall effect of the Reorganization was to consolidate the ShellCo Shares on a 14.2:1 basis.

SELECTED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

A summary of selected financial information of ShellCo for the six-month unaudited interim period ended June 30, 2023, for the period from incorporation on October 20, 2021, to December 31, 2021, and for the year ended December 31, 2022 is as follows and should be read in conjunction with ShellCo's interim unaudited financial statements for the six months ended June 30, 2023, and ShellCo's audited financial statements for the period from incorporation on October 20, 2021 to December 31, 2021 and for the year ended December 31, 2022, attached as Appendix A hereto.

	Six Months Ended June 30, 2023 (C$) (unaudited)(1)	**Year Ended December 31, 2022 (C$) (audited)(1)**	**Period from Incorporation on October 20, 2021 to December 31, 2021 (C$) (audited)(1)**
Net Loss	(17,199)	(63,600)	(817)
Amounts deferred in connection with the Transaction	Nil	Nil	Nil

Notes:
(1) The information presented is derived from the respective interim unaudited and annual audited financial statements which have been prepared by management and are in accordance with IFRS and presented in Canadian dollars and are available on SEDAR.

Management's Discussion and Analysis

ShellCo's MD&A for the six-month unaudited interim period ended June 30, 2023, and for the audited period from incorporation on October 21, 2021, to December 31, 2021, and for the year ended December 31, 2022, are attached as Appendix D hereto.

DESCRIPTION OF THE SECURITIES

The authorized capital of ShellCo consists of an unlimited number of common shares.

As of the date of the Filing Statement, there are 6,834,000 ShellCo Shares issued and outstanding. Each ShellCo Share carries the right to one vote at meetings of ShellCo Shareholders. The ShellCo Shareholders are entitled to dividends, if, as and when declared by the ShellCo Board, and, upon liquidation, to share equally in such assets of ShellCo as are distributable to the ShellCo Shareholders. No group of ShellCo Shareholders has the right to elect a specified number of directors, nor are there cumulative or similar voting rights attached to the ShellCo Shares. The ShellCo Shares are not subject to pre-emptive rights; conversion or exchange rights; redemption, retraction, purchase for cancellation, or surrender provisions; sinking or purchase fund provisions; provisions permitting or restricting the issuance of additional securities or any other material restrictions; or provisions requiring a securityholder to contribute additional capital.

Stock Option Plan

On November 14, 2023, ShellCo adopted the ShellCo Incentive Plan. The ShellCo Incentive Plan is a "rolling" omnibus equity incentive plan pursuant to which ShellCo is authorized to grant equity incentive awards for up to 10% of its issued and outstanding shares, from time to time and otherwise generally has the same terms and conditions as the Zodiac Incentive Plan. See *"Part III - Information Concerning Zodiac – Zodiac Incentive Plan*". Upon completion of the Transaction the ShellCo Incentive Plan will remain in place as the Resulting Issuer Incentive Plan.

PRIOR SALES

As of the date of this Filing Statement, ShellCo had 6,834,000 ShellCo Shares outstanding. In the 12 months prior to the date of this Filing Statement ShellCo has issued the following ShellCo Shares:

Date	Type of Transaction	Number of ShellCo Shares	Price Per Share	Gross proceeds
June 20, 2023	Private Placement	78,662,703 pre-Reorganization ShellCo Shares	\$0.007 to \$0.00746	\$586,862

ARM'S LENGTH TRANSACTIONS

The Transaction is an Arm's Length Transaction.

LEGAL PROCEEDINGS

As of the date of this Filing Statement, there are no actual or pending material legal proceedings to which ShellCo is or is likely to be a party, or of which any of its assets are or are likely to be subject. Management of ShellCo is not currently aware of any legal proceedings contemplated against it.

AUDITOR, TRANSFER AGENT, AND REGISTRAR

The independent auditor of ShellCo is Jones & O'Connell LLP at their office at Suite 500 - 43 Church Street, St. Catharines, Ontario L2R 7A7, Canada.

The transfer agent and registrar of ShellCo is Endeavor Trust Corporation at their office at Suite 702 – 777 Hornby Street, Vancouver, British Columbia V6Z 1S4, Canada.

MATERIAL CONTRACTS

The Arrangement Agreement and Promissory Notes are ShellCo's only material contracts.

A copy of the Arrangement Agreement is available under ShellCo's SEDAR profile at www.sedarplus.ca and will be available for inspection at the registered office of ShellCo located at Suite 3606 – 833 Seymour Street, Vancouver, British Columbia V6B 0G4, Canada, during ordinary business hours from the date hereof until completion of the Transaction and for a period of 30 days thereafter.

PART III – INFORMATION CONCERNING ZODIAC

The following information provided by Zodiac is reflective of the current business, financial, and share capital positions of Zodiac. See "Part IV – Information Concerning the Resulting Issuer" for pro forma business, financial, and share capital information relating to the Resulting Issuer following the Transaction.

CORPORATE STRUCTURE

Name and Incorporation

Zodiac is a non-reporting company incorporated pursuant to the laws of British Columbia. Its registered and head office is at Suite 3606 – 833 Seymour Street, Vancouver, British Columbia V6B 0G4, Canada.

Intercorporate Relationships

As at the date of this Filing Statement, Zodiac has no subsidiaries other than Gem Rocks, a wholly-owned subsidiary existing under the laws of Liberia.

GENERAL DEVELOPMENT OF THE BUSINESS

Zodiac is a private mineral exploration company incorporated under the laws of the Province of British Columbia which has a 100% interest in the Todi Project located in the Republic of Liberia along with two reconnaissance licenses.

Since its incorporation in 2020, Zodiac has raised approximately $6.1 million from subscribers who have participated in private placements, including the Zodiac Financing. Until November 30, 2021, Zodiac was a shell company with no active operations and no assets other than cash.

On November 30, 2021, Zodiac acquired from the shareholders of Gem Rocks all of the outstanding shares of Gem Rocks, which held the mineral exploration license of the Todi Project. The consideration paid to Gem Rocks shareholders by Zodiac for the acquisition of Gem Rocks was 19,331,676 Zodiac Shares at a deemed price of C$0.18 per share. Subsequent to the acquisition of Gem Rocks, Zodiac also acquired, through staking, two separate reconnaissance licenses covering 2,200 km^2 in Grand Bassa, Bomi, and Grand Cape Mount counties in Liberia.

On June 20, 2023, ShellCo entered into the Letter of Intent with Zodiac pursuant to which they agreed to proceed with the Transaction.

On August 3, 2023 and October 19, 2023, Zodiac entered into the Promissory Notes with ShellCo.

On August 15, 2023, ShellCo entered into the Arrangement Agreement with Zodiac. The Arrangement Agreement supersedes and replaces the Letter of Intent.

On May 5, 2023, Zodiac completed an initial closing of the Zodiac Financing, pursuant to which it issued a total of 3,491,443 Zodiac Units at a price of $0.18 per unit for gross proceeds of $628,460.

SIGNIFICANT ACQUISITIONS AND DISPOSITIONS

On November 30, 2021, Zodiac acquired 100% of the issued and outstanding shares of Gem Rocks as described above.

NARRATIVE DESCRIPTION OF THE BUSINESS

Todi Project

Zodiac's only material property is the Todi Property. The information with respect to the Todi Property provided below is derived from, and based upon the assumptions and qualifications set out in, the Technical Report, prepared by a qualified person as that term is defined under NI 43-101. Tom Dowrick, BSc, CGeol. of A.C.A. Howe International Limited ("**ACA Howe**"), was engaged by Zodiac to complete the Technical Report on the Todi Property. The below is qualified in its entirety by the detailed information contained in the Technical Report. Readers are advised to refer to the Technical Report for more detailed information relating to the Todi Property.

Property Description and Location

The Property is located in the Montserrado and Bomi Townships, approximately 13 km north of Zodiac's office in Monrovia, the capital city of Liberia. The Property consists of one Mineral Exploration License ("**MEL**") (MEL 9000118), which covers an area of 418.38 km^2, and two Reconnaissance Licenses, MRL9000321 (1,898.43 km^2) and MRL9000421 (294.22 km^2), giving a total area of over 2,000 km^2. Through its wholly owned subsidiary, Gem Rocks, Zodiac has a 100% interest in the Property.

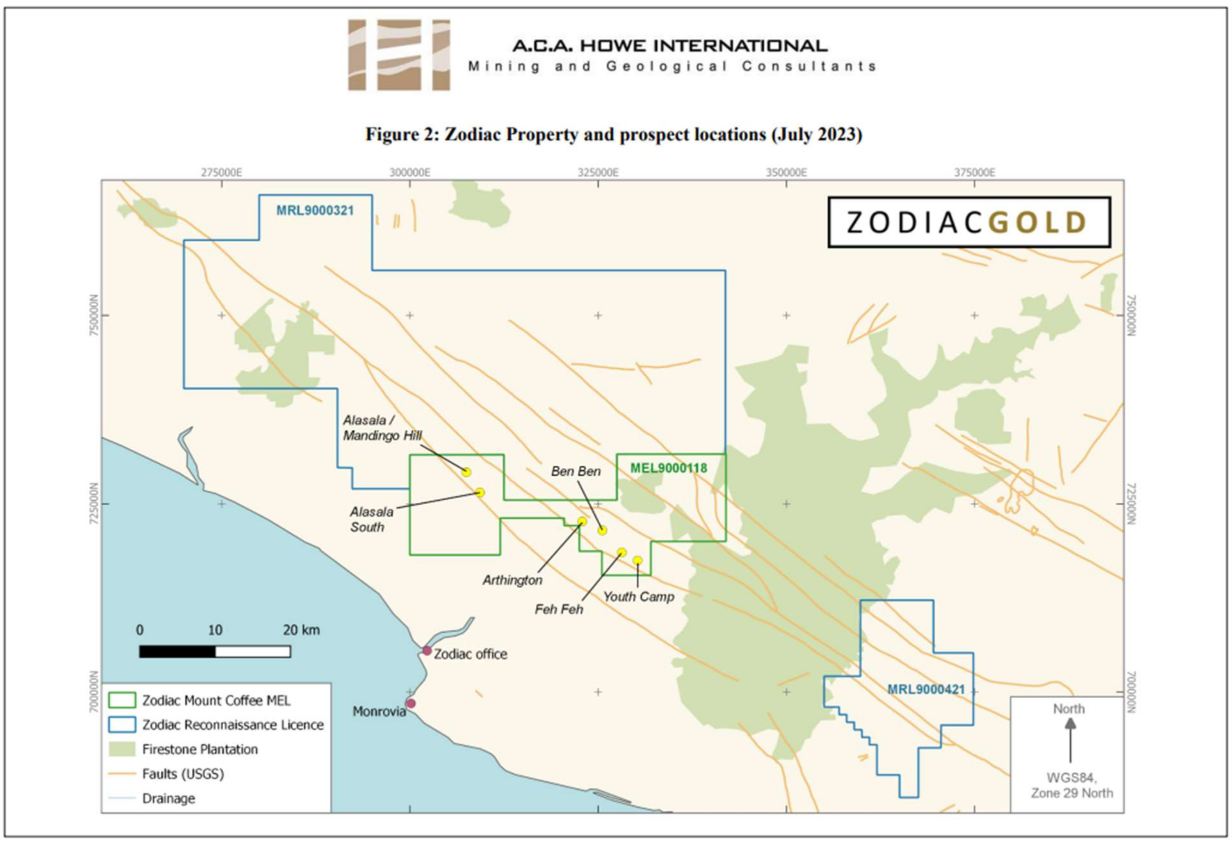


Figure 2: Zodiac Property and prospect locations (July 2023)

MEL 9000118 is currently licensed until March 10, 2025. MRL9000321 and MRL9000421 expire on January 25, 2024 and then all or part of the Reconnaissance License can be converted to a Mineral

Exploration License, as long as all requirements have been met and all laws and regulations have been complied with.

A title opinion on the Property (November 2023) shows that the licenses are in good standing and ACA Howe is not aware of any significant risk factors that may affect access, title, or right or ability to perform work on the permit.

In the years 2023-2024, Zodiac paid annual license fees of US$6,741.05 for its MEL and US$15,000 for six months for each MRL as well as annual surface rent of US$28,126.66 for its MEL. No surface rent is payable for the MRLs. In order to maintain its licenses, Zodiac must submit annual and quarterly exploration reports to the Liberian government and maintain annual exploration expenditures of at least US$11.25 per hectare (a total of US$470,677.50 per year based on the current boundary of the MEL). In order to conduct exploration, pitting and drilling activities on the Todi Property, Zodiac must have an environmental permit, which it currently possesses. Zodiac's current environmental permit was originally issued on June, 16, 2023 for 2 years and is renewable at a cost of US$6,050.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Property is readily accessible by a combination of paved, all-weather gravel and dirt roads that access the eastern and western sections of the Property, which is split by the St Paul River. Fieldwork can be carried out all year round but bush roads are reportedly challenging during the rainy season in many areas. The Mount Coffee Hydropower Plant is located approximately 5 km to the south of MEL 9000118. The plant has recently been rehabilitated and can produce 88 megawatts of power, which is expected to provide power to 460,000 people (Millennium Challenge Corporation, 2018).

Climate

The climate is tropical and humid, with little change in temperature throughout the year. The mean is 27°C (81°F), with temperatures rarely exceeding 36°C (97°F) or falling below 20°C (68°F). On the coast the heat is tempered by an almost constant breeze. Yearly rainfall is as high as 510 cm (200 in) on the coast, decreasing to about 200 cm (80 in) in areas farthest inland. There are distinct wet and dry seasons, with most of the rainfall occurring between late April and mid-November. Average relative humidity in the coastal area is around 82% during the rainy season and 78% in the dry season, but it may drop to 50% or lower between December and March when the dust-laden harmattan blows from the Sahara.

Fieldwork can be carried out all year round but, in many areas, bush roads are challenging during the rainy season.

Physiography

Liberia comprises three distinct topographic belts lying parallel to the coast. The low coastal belt is between about 15 and 80 km wide, with tidal creeks, shallow lagoons, sandy beaches and mangrove swamps. The land then rises to rolling hills, with elevations of 60 to 150 m (200 to 500 ft). The third belt, including the majority of Liberia, is marked by abrupt changes of elevation in a series of low mountains and plateaus, less densely forested than the hilly region; these include the Nimba Mountains near the Guinea frontier and the Wologisi Mountains which reach a maximum of about 1,380 m (4,528 ft) at Mt. Wutuvi, the nation's highest point. Six principal rivers all flow southwest into the Atlantic Ocean, of which the St Paul River transects Zodiac Gold's Property in a northeast-southwest direction. Only the Farmington River is navigable for a significant distance. Sandbars obstruct the mouths of all rivers, making entrance hazardous, and upstream there are rocky rapids.

All of Liberia was formerly vegetated by tropical rain forest but many parts, especially in the west, have now been deforested due to agriculture, rubber plantations, logging and for fuel, with significant areas now covered by secondary growth. Primary forest covers most of the eastern part of the country, with secondary growth mostly restricted to populated areas. The majority of western portion of the MEL lies between 15 and 60 m above sea level with gently undulating hills. To the east of the St Paul River, some isolated hills with steep slopes peak above 180 m above sea level, though most of the hills are undulating with altitudes up to approximately 180 m above sea level. Large trees, shrubs and thorny bushes make up most of the vegetation within the Todi Property area and region.

Infrastructure And Local Resources

Zodiac operates from a well-run office with accommodation in a suburb of Monrovia. An exploration field camp with accommodation and office space are maintained at Mandingo Hill. Communications at the camps are maintained using cell phone and/or VSAT broadband satellite equipment.

Monrovia is equipped with the labour, supplies, and services required for most of the basic mineral exploration needs of Zodiac. Local artisanal miners were contracted by Zodiac to dig trenches for the exploration of the Arthington area.

Monrovia has an international airport (Roberts International Airport) which is located approximately 60 km east of the city. Monrovia has a population of approximately 1 million (2008 census, though other sources show that this may now have risen to over 1.5 million) which can support staffing requirements for both mineral exploration and/or mining operations. Local towns and villages near the Todi Project can also provide non-technical staff for both mineral exploration and/or mining operations. Zodiac currently contracts geologists from Liberia and Sierra Leone (now based in Monrovia or onsite). Owing to the ease of access, additional technical expertise can be sought from overseas if necessary.

The road network in Liberia comprises approximately 10,600 km of road of which 650 km are paved, the remainder being gravel and lateritic roads. Neglect and damage during the civil war have left many roads in poor repair and difficult to travel on, especially during the rainy season.

Liberia has four main ports located at Buchanan, Greenville, Harper, and Monrovia. The ports of Greenville and Harper were used primarily for the logging trade, while Buchanan is traditionally used for rubber and iron ore exports. Water depth at the harbour at Buchanan limits the size of ships that can berth. Dredging will be needed to accommodate large world-class iron ore carriers that will be required when Liberian iron ore industry has been revitalised.

Liberia has a total of 490 km of railway that runs from Monrovia to the closed iron ore mine at Bong and from the Port of Buchanan to Yekepa and the former Nimba iron ore mine. The Buchanan-Yekepa line (267 km, standard gauge) has been rehabilitated by Arcelor-Mittal to provide transport of iron ore from the Nimba mine.

Most of the electrical grid in the Monrovia region was destroyed during the civil war but it has now been restored and electricity is now supplied almost entirely by private generators, whilst running water has now been restored to parts of Monrovia. Mobile phone coverage is available in and close to larger villages and towns throughout the country. Various local wireless internet networks are available in Monrovia.

Fieldwork can be carried out all year round but, in many areas, bush roads are reportedly challenging during the rainy season. The Mount Coffee Hydropower Plant is located approximately 5 km to the south of MEL 9000118. The plant has recently been rehabilitated and can produce 88 megawatts of power, which is expected to provide power to 460,000 people.

History

The Liberian Geological Survey and the USGS carried out an airborne magnetic survey over the Monrovia Quadrangle in 1967. Data was collected at approximately 1,200 m spacing. The USGS compiled a regional geological map in 1975 which was based on the aeromagnetic survey, photogeological interpretation and fieldwork.

Systematic gold exploration in Liberia was affected by the prolonged civil war during the 1990s. As such, organized gold exploration in the country was largely confined to the early 2000s and onwards.

Numerous small scale artisanal operations are reported along the northwest trending shear corridor of the Todi Property, with the major sites being Mandingo Hill, Arthington, Ben Ben and Youth Camp.

Liberty International Mineral Corp. (2004-2007)

The earliest known systematic exploration of the Todi Property was completed from 2004 to 2007 by Liberty International Mineral Corp. ("**LIMC**"). Much of the information on the work by LIMC has been extracted from reports by Whiteaker (2006 and 2007). ACA Howe has not verified the exploration information and results stated by Whiteaker.

LIMC completed the following exploration activities:

- Geological mapping covering an area of 100 km^2 and rock chip sampling, resulting in the discovery of active artisanal workings at Mandingo Hill, Mandingo Twin Hill and Goban Hill.

- Seventy rock chip samples were collected from workings, pits and outcrop in the Mandingo Hill and Goban Hill areas. Seven samples from the Mandingo Hill area returned anomalous grades between 0.6 and 10.5 g/t Au.

- Reconnaissance stream sediment sampling resulted in a cluster of anomalous gold grades in the Mandingo Hill area.

- 1,230 m of trenching distributed between nine trenches at Mandingo Hill. 1,432 horizontal samples were collected and results are shown below.

Significant intersections in trenches by LIMC (Whiteaker, 2007)

Trench No.	From (m)	To (m)	Interval (m)*	Assay (g/t Au)
BOTR001	0	52	52	0.53
BOTR002	164 175.5	166 179	2 3.5	2.23 1.00

Significant intersections in trenches by LIMC (Whiteaker, 2007)				
Trench No.	**From (m)**	**To (m)**	**Interval (m)***	**Assay (g/t Au)**
BOTR004	57	59	2.0	1.74
BOTR006	35 49 110 145	43 54 111 146	8.0 5.0 1.0 1.0	0.68 1.25 6.83 5.20
BOTR008	8 12 25	10 15 27	2.0 3.0 2.0	1.89 1.62 1.14
BOTR009	66	68	2.0	1.19

*Sampled interval rather than true thickness.

- Twelve diamond drill holes totaling 964 m were drilled in the Mandingo Hill area and returned the significant intersections shown below.

Significant diamond drill hole intersections by LIMC (Whiteaker, 2007)				
Hole No.	**Depth (m) (from)**	**Depth (m) (to)**	**Width (m)***	**Assay (g/t Au)**
BODD001	0	5	5	1.88
BODD001	13	15	2	1.78
BODD001	18	20	2	1.06
BODD001	67.2	68	0.8	3.12
BODD001	110	111	1	3.13
BODD002	28	30	2	4.00
BODD002	32	33	1	1.05
BODD002	46	49.23	3.23	2.58
BODD002	63	64	1	3.15
BODD002	104.5	106.15	1.65	2.35
BODD003	85	87	2	1.62
BODD005	24.7	26.2	1.5	5.71
BODD006	0	4	4	1.78

Significant diamond drill hole intersections by LIMC (Whiteaker, 2007)				
Hole No.	**Depth (m) (from)**	**Depth (m) (to)**	**Width (m)***	**Assay (g/t Au)**
BODD006	35	36	1	1.23
BODD006	37	38	1	1.25
BODD008	25.1	25.9	0.8	1.61
BODD010	3.9	5.7	1.8	1.64
BODD010	28.4	28.9	0.5	1.03
BODD010	33	34	1	1.1
BODD011	0	5.9	5.9	7.17
(including 0.9 m of 35.7 g/t Au, 5.0-5.9 m)				
BODD011	9.2	10.2	1	3.97
BODD011	11	17.6	6.6	4.94
(including 1.0 m of 21.6 g/t Au, 14-15 m)				
BODD011**	18.9	19.6	0.7	58.30

*Sampled interval rather than true thickness.
**Note: interval 18.9-19.6 m from BODD011 averaged 58.3 g/t Au when considering the original assay of 52.3 g/t Au and LIMC duplicate assay of 64.3 g/t Au.

Gem Rocks (2011-2020)

Much of the information on the work by Gem Rocks has been extracted from documents provided by Zodiac. ACA Howe has not verified the exploration information and results stated in the documents.

Gem Rocks completed the following exploration from 2011 to 2013:

- 7,272 soil samples collected (7,162 of these samples are within the current Todi Property) in the Alasala-Mandingo Hill, Arthington and Ben Ben - Youth Camp areas. 1,327 samples returned grades above 20 ppb Au, including 470 samples >100 ppb Au. At Alasala – Mandingo Hill a 2 km x 500 m north-south anomalous zone was identified. A 16 km by 500 m northwest trending anomalous zone was identified between Arthington and Youth Camp.

- 31 trenches were excavated at Alasala – Mandingo Hill and at Ben Ben – Youth Camp with a total length of 3.3 km. Results of the horizontal channel samples taken in the trenches are shown below:

Prospect Area	Trench ID	From (m)	To (m)	Interval (m)*	Assay (g/t Au)	Geological Unit
Alasala	ALT004	40	42	2	1.44	Amphibolite
	ALT004	52	57	5	0.77	Gneiss
	ALT005	5	7	2	1.16	Metasediment
	ALT005	11	13	2	0.89	Metasediment
	ALT006	1	5	4	0.75	Saprolitised amphibolite
	Including	4	5	1	1.62	
	ALT006	32	33	1	0.83	Gneiss
	ALT006	57	58	1	1.55	Saprolitised amphibolite
	ALT011	107	111	4	0.85	Saprolitised amphibolite
	ALT012	72	76	4	1.73	Iron formation – gneiss
	ALT013	112	114	2	0.98	Unknown
	ALT014	34	38	4	0.55	Schist
	ALT016	44	50	6	0.58	Gneiss - iron formation
	ALT017	50	56	6	0.56	Iron formation
	ALT017	82	84	2	0.51	Gneiss-schist
	ALT021	18	36	18	1.16	Saprolitised amphibolite +/- iron formation
	Including	26	28	2	4.20	
Youth Camp	YCT001	0	7	7	0.53	Unknown
	YCT003	16	18	2	0.59	Laterite
	YCT005	0	18	18	0.63	Laterite
	YCT005	86	94	8	0.70	Metasediment
	YCT006	48	78	30	1.04	Amphibolite with weathered granitoid and metasediment units
	Including	54	56	2	2.48	Granitoid
		66	72	6	1.58	Saprolitised amphibolite
		76	78	2	3.08	Saprolitised amphibolite
	YCT007	32	34	2	0.95	Gneiss
	YCT008	72	74	2	0.63	Schist

*Sampled interval rather than true thickness.

- In 2013 Gem Rocks drilled 169 verical auger drill holes (total of 760 m) to test the soil anomaly in the Alasala area. Samples from 135 auger drill holes contained >50 ppb Au. The results demonstrate the presence of two separate north-south trending anomalous zones corresponding to topographical highs.

- In 2015, thirteen NQ diamond drill holes were completed by Gem Rocks in the Alasala – Mandingo Hill area. 737 samples were sent to SGS Monrovia for sample preparation and SGS Tarkwa for analysis. Significant intercepts from the drilling are shown below:

Significant intersections in drilling by Gem Rocks					
Hole ID	**From (m)**	**To (m)**	**Width (m)***	**Grade (g/t Au)**	**Geological Unit**
GDD001	60	62.16	2.16	1.82	Garnitiferous migmatite
GDD002	0	1.7	1.7	0.76	Saprolite
	23.8	32.5	8.7	1.54	Saprolitised amphibolite with quartz veining
Including	23.8	24.32	0.52	3.47	
Including	31.25	32.5	1.25	2	
GDD002R	0	2	2	0.61	Saprolite
	24	33	9	4.60	Amphibolite
Including	24	26	2	6.88	
Including	27	28	1	12.88	
	30	31	1	8.72	Amphibolite
	51	52	1	0.62	Garnitiferous migmatite
GDD003	25	26	1	0.82	Phyllite
	35	36	1	0.86	Amphibolite
	41	42	1	0.66	Garnitiferous migmatite
GDD004	43	45	2	0.34	Amphibolite
GDD005	38	39	1	0.56	Amphibolite
GDD007	0	2	2	1.04	Saprolite
	24	27	3	4.21	Amphibolite
Including	25	26	1	9.7	
	54	56	2	1.73	Amphibolite

Significant intersections in drilling by Gem Rocks					
Hole ID	**From (m)**	**To (m)**	**Width (m)***	**Grade (g/t Au)**	**Geological Unit**
GDD008R	0	2	2	1.08	
GDD010	1	7	6	7.69	Saprolite
Including	5	6	1	16.95	
Including	6	7	1	26.10	
	14	15	1	1.10	Amphibolite
	78	80	2	1.77	Amphibolite
GDD011	26	30	4	0.55	Amphibolite

*Sampled interval rather than true thickness.
**Intersections are based on the average grade of samples within logged geological units.

Geology and Mineralization

The Todi Property straddles the northwest trending Todi Shear Zone, a regional feature of over 300 km in length, which is defined by a series of faults and wide zones of mylonite dipping 50 to 70º to the southwest. Rocks of Pan-African age are to the southwest of the Todi Shear Zone, while rocks of the Liberian province are to the northeast.

Multiple episodes of deformation, including several generations of folding and faulting, and metamorphism up to granulite facies have occurred. Isoclinal folds are common, range in scale up to several kilometres across, and typically have steeply dipping limbs with gently to moderately plunging fold axes which trend to the northeast. The structural grain of metamorphic rocks in the Liberian and Eburnean age provinces is to the northeast, whereas that of the Pan-African age province trends northwest.

Gunn et al. (2018) note that supracrustal rocks in Liberia form narrow, discontinuous, elongate greenstone belts which have not been studied in detail. The supracrustal rocks are named by the USGS as ‘Composite unit z’, which consists of rocks typically associated with itabirite, including varying amounts of schist, quartzite, amphibolite and lenses of iron-formation. The supracrustal rocks are preserved in the Pan-African, Liberian and Eburnean provinces and can be found as fold keels and in shear zones. ‘Composite unit z’ was mapped by the USGS to the southeast of Zodiac’s MRL9000421.

A system of northwest-trending mafic dykes forms a distinctive linear pattern across Liberia. Dykes are Jurassic age, ranging from 172Ma to 192Ma (Dalrymple et al., 1975). Most of the dykes were intruded along faults, many of which are marked by shearing and lateral offset of basement rock. Precursor faults are younger than most of the northeast-trending faults and shear zones in the Liberian and Eburnean age provinces and are younger than the Todi Shear Zone.

Numerous primary and secondary artisanal gold mining operations are reported on the Todi Property, with the main sites being at Alasala – Mandingo Hill, Arthington, Ben Ben and Youth Camp. Exploration by previous owners LIMC and Gem Rocks, as well as drilling by Zodiac at Arthington, showed the prospectivity of these locations. Soil Sampling by Gem Rocks resulted in the identification of a 2 km long by 500 m wide north-south trending gold anomaly at Alasala – Mandingo Hill and a 16 km long by 500 m wide northwest trending gold anomaly from Youth Camp to Arthington. Gold mineralization in the Todi Property consists of the following types:

Alasala – (Mandingo Hill – Mammes Claims, Lions Hill Area)

- Gold mineralization is associated with intense carbonate-chlorite-hematite alteration, disseminated sulphides (pyrite ± chalcopyrite) and brecciated quartz stringers associated with amphibolite units. Silicification and K-Feldspar alteration has been reported locally.

Youth Camp – Ben Ben Area

- Gold mineralization is associated with quartz veining +/- pyrite, pyrrhotite and chalcopyrite along the contact with amphibolite (metavolcanic sequences) units. Quartz vein thickness ranges from 0.20 m to 1.5 m.

Arthington Area

- Gold is associated with a shear zone dipping at approximately 60º to the northeast, containing a hematitic-sericitic rich weathered zone with disseminated sulphides, which is interpreted as a possible contact between a granitic-gneiss and a paragneiss sequence within both the footwall and hanging wall along the shear zone. The shear zone has been sampled within the Red Hill Field artisanal pit over a distance of 140 m. The shear zone has also been intersected in drilling by Zodiac.

- The gneissic/schist units at Deep Mining Site containing wide low grade (>0.50 g/t Au) disseminated gold mineralized zones. These units are assumed by Zodiac to have long strike extents (possibly stratiform?), though this needs to be confirmed by further exploration.

- Gem Rocks reported one grab sample grading 255 g/t Au in a gold-bearing amphibolite unit with associated quartz veining. Zodiac identified amphibolite with visible gold and pyrite at Red Hill Field, though the pit which exposed the amphibolite flooded before sampling could be completed.

Exploration, Sampling and Analysis

Zodiac has completed a trenching and grab / channel sampling programme focussed on the artisanal mining pits in the Arthington area of the Todi Property. Additional grab samples have been taken in the Ben Ben and Youth Camp areas. This work has confirmed the presence of gold mineralization within the soil anomalies identified by Gem Rocks. Gold mineralization has been identified in shear zones and in the adjacent wall rock. ACA Howe considers the procedures, sample security and analytical methods used to be in line with industry best practices, and is not aware of any issues with sample representatively or biases.

Twenty-four trenches totalling 2,369 m were completed by Zodiac at Arthington (AT-series) and 2,369 samples were collected. The trenching programme was designed to test the extent of the gold in-soil anomalies as well as obtaining geological information (lithological and regolith mapping, etc.) to identify potential host rocks and to guide future exploration. Significant intercepts from the trenching are shown below.

Significant intercepts from Zodiac trenching				
Trench ID	**From (m)**	**To (m)**	**Horizontal Sample Interval (m)**	**Grade (g/t Au)**
AT-01	No significant intercepts			
AT-02	0	32	32	0.54
including	7	10	3	1.00
including	19	21	2	1.42
AT-03	116	119	3	2.59
including	117	118	1	6.08
AT-04	3	4	1	0.69
AT-05	31	32	1	0.63
	67	68	1	0.48
AT-06	14	26	12	0.51
including	14	15	1	0.83
including	25	26	1	0.96
AT-07	No significant intercepts			
AT-08	32	33	1	1.87
	36	37	1	0.85
AT-09	No significant intercepts			
AT-10	No significant intercepts			
AT-11	No significant intercepts			
AT-12	No significant intercepts			
AT-13	47	50	3	0.73
including	48	49	1	1.65
	73	74	1	0.83
	121	127	6	0.65
including	122	123	1	1.34
	159	160	1	2.46
	177	180	3	11.41
including	177	178	1	32.80

Significant intercepts from Zodiac trenching				
Trench ID	**From (m)**	**To (m)**	**Horizontal Sample Interval (m)**	**Grade (g/t Au)**
including	179	180	1	1.42
AT-14	48	49	1	0.61
AT-15	13	14	1	1.58
AT-16	No significant intercepts			
AT-17	No significant intercepts			
AT-18	No significant intercepts			
AT-19	1	2	1	0.61
	9	10	1	0.73
	14	15	1	0.50
	28	30	2	1.14
including	28	29	1	1.63
	39	42	3	0.56
including	41	42	1	0.82
AT-20	No significant intercepts			
AT-21	No significant intercepts			
AT-22	38	51	13	0.96
including	38	39	1	2.13
including	40	41	1	3.06
including	45	46	1	1.06
AT-23	2	3	1	2.58
	59	60	1	0.51
AT-24	65	68	3	1.20
including	66	67	1	2.01
	78	79	1	4.88
	88	89	1	0.60
Please note that significant intercepts are reported for sample lengths of at least 1 m and averaging above 0.5 g/t Au				

Seventy-one channel samples were taken across a shear zone exposed in the Red Hill Field, Garang Base and Deep Mining Site artisanal pits in the Arthington area. These sites are spread over a strike length of over 1.3 km on a west-northwest trend.

Results from 36 samples taken at Red Hill Field are summarised below:

- Shear zone – 1.77 to 12.90 g/t Au.
- Hangingwall – 0.21 to 6.70 g/t Au.
- Footwall – 0.18 to 4.70 g/t Au.

Thirteen channel samples were taken at Garang Base and results included 4 m at 1.17 g/t Au, 6 m at 0.86 g/t Au and 1 m at 1.34 g/t Au. Thirty-four samples were taken at Deep Mining Site, with results including 17 m at 0.70 g/t Au (including 4 m at 1.99 g/t Au and 1 m at 1.47 g/t Au).

Multi-element analysis of 1,893 channel samples suggests varying associations of Cu/Mn/Mi/P/Pb/Bi with the Au mineralization, within both broad zones of lower grade gold mineralization and in narrower, high grade zones.

Zodiac considers there to be additional potential for gold mineralization in amphibolite parallel to the Red Hill Field shear zone, though this has not yet been sampled by Zodiac. The excavation which exposed the amphibolite was flooded at the time of ACA Howe's visit. However, Zodiac drill hole ADD004 intersected a mineralised amphibolite unit beneath the northwestern end of the Red Hill Field artisanal pit. In addition, similar lithologies observed by ACA Howe at Ben Ben and Youth Camp were found to host anomalous gold grades.

Additional exploration completed by Zodiac includes an interpretation of satellite data by ACA Howe. Targets identified were visited and previously unknown artisanal gold and diamond workings were discovered in both MRLs. Follow-up stream sediment sampling (354 samples) identified anomalous zones that warrant additional exploration.

Drilling

From October 2021 to January 2022, a total of 22 diamond drill holes ("**DDH**") totalling 3,465.51 m were completed at the Arthington prospect by Zodiac. Todi Drilling of Monrovia Liberia were contracted to carry-out the DDH drill programme. A skid-mounted Eider 2000 drill rig was utilised to carry out the drill programme.

This initial diamond drilling programme at the Arthington prospect was designed to test the strike (up to 1 km) and depth extent (up to 120 m from surface) of gold mineralisation encountered from the soil sampling completed by Gem Rocks, and the 2021 trenching and artisanal pit channel sampling programmes by Zodiac. All of the 22 drill holes were oriented to the north with inclinations varying from -50 to -52° and drill hole lengths from 120.70 to 196.55 m. All drill hole fences were oriented north-south and spaced at nominal 100 m intervals with drill holes at nominal 50 m spacing along drill fence lines, though some locations were adjusted due to access issues. All drill hole collars were surveyed using a differential GPS. Down-hole and geotechnical orientated core surveys were carried out using a Reflex EZ-trac and Reflex ACTII unit.

Collar details for the drilling programme are shown below.

Zodiac drill hole collar details						
Hole name	**Easting**	**Northing**	**Elevation**	**Azimuth**	**Inclination**	**Depth**
ADD001	323402.3	722661.5	61.49	0	-52	149.22
ADD002	323403.9	722595.8	59.49	0	-52	196.55
ADD003	323300.1	722638.8	62.35	0	-52	154.67
ADD004	323300.7	722609.8	66.9	0	-52	173.50
ADD005	323199.7	722659.8	70.63	0	-50	126.85
ADD006	323201.5	722609.8	65.68	0	-50	182.42
ADD007	323298.4	722516.2	58.87	0	-50	152.45
ADD008	323201.8	722510.3	61.67	0	-50	188.00
ADD009	323101.8	722660.8	78.94	0	-50	152.75
ADD010	323102.3	722611.3	76.21	0	-50	170.30
ADD011	323001.4	722658.8	74.85	0	-50	123.10
ADD012	322995.6	722611	72.2	0	-50	170.15
ADD013	322897.9	722653.1	69.58	0	-50	120.70
ADD014	322895.7	722609	67.89	0	-50	175.55
ADD015	323499	722641.3	61.12	0	-50	131.20
ADD016	323502.9	722608.4	65.37	0	-50	181.75
ADD017	323600.8	722657.1	63.35	0	-50	130.30
ADD018	323606.4	722602.8	71.52	0	-50	181.00
ADD019	323696.2	722661.5	71.54	0	-52	123.40
ADD020	323705.5	722613.3	75.16	0	-52	172.45
ADD021	323800.9	722661.8	82.74	0	-52	136.35
ADD022	323802	722610.7	82.4	0	-52	172.85

A total of 3,647 drill hole samples, (plus QA/QC samples) were sent for analysis by Zodiac. Significant intersections were reported from 20 of the 22 drill holes, with particularly encouraging results from holes drilled beneath the Red Hill Field artisanal workings, along a strike length of 300 m.

Summary of significant gold intervals intersected by Zodiac					
Hole ID		**From (m)**	**To (m)**	**Interval (m)**	**Au g/t**
ADD001		0.00	7.00	7.00	0.38
	Including	**0.00**	**1.00**	**1.00**	**1.17**
		10.25	15.90	5.65	4.67
	Including	**11.00**	**13.00**	**2.00**	**11.70**
		19.35	26.00	6.65	1.34
	Including	**24.00**	**26.00**	**2.00**	**2.52**
		41.00	45.00	4.00	0.72
	Including	**43.00**	**45.00**	**2.00**	**1.18**
		58.00	59.00	1.00	0.20
		61.00	63.00	2.00	0.31
		69.00	73.06	4.06	0.23
		99.00	101.00	2.00	0.63
ADD002		12.30	14.00	1.70	0.48
		27.00	33.00	6.00	0.78
	Including	**27.00**	**28.00**	**1.00**	**3.18**
		44.00	48.00	4.00	0.33
		60.00	77.00	17.00	1.10
	Including	**60.00**	**61.00**	**1.00**	**3.07**
	And	**64.00**	**67.00**	**3.00**	**2.47**
	And	**71.84**	**73.00**	**1.16**	**1.58**
		82.00	91.00	9.00	0.31
		94.00	95.00	1.00	0.30
		98.10	106.00	7.90	0.87
	Including	**103.00**	**104.50**	**1.50**	**2.94**
		134.00	137.60	3.60	0.55
		155.00	156.00	1.00	0.63
		159.00	166.00	7.00	0.81
	Including	**163.00**	**166.00**	**3.00**	**1.57**
ADD003		78.00	79.00	1.00	1.39
		83.00	84.00	1.00	0.24
		93.00	103.00	10.00	1.01

Summary of significant gold intervals intersected by Zodiac					
Hole ID		**From (m)**	**To (m)**	**Interval (m)**	**Au g/t**
	Including	**95.00**	**99.00**	**4.00**	**1.90**
		109.00	110.00	1.00	0.55
		113.00	114.70	1.70	0.70
ADD004		19.00	20.60	1.60	0.31
		23.48	29.00	5.52	0.27
		33.00	34.13	1.13	0.26
		37.00	40.00	3.00	0.42
		55.00	61.00	6.00	10.60
	Including	**56.00**	**59.00**	**3.00**	**20.45**
	And	**57.00**	**58.00**	**1.00**	**25.20**
		122.50	131.00	8.50	0.93
	Including	**127.00**	**131.00**	**4.00**	**1.60**
		134.00	137.00	3.00	0.25
ADD005		33.00	34.00	1.00	0.40
		38.00	39.00	1.00	0.42
		65.00	73.00	8.00	0.43
	Including	**66.00**	**68.00**	**2.00**	**1.20**
		77.00	78.00	1.00	0.29
ADD006		71.00	72.00	1.00	0.23
		76.00	77.00	1.00	0.80
		91.00	92.00	1.00	0.29
		95.00	100.00	5.00	1.03
	Including	**95.00**	**96.00**	**1.00**	**1.89**
	And	**99.00**	**100.00**	**1.00**	**1.87**
ADD007		72.00	73.00	1.00	0.30
		75.00	76.00	1.00	0.20
		81.00	82.00	1.00	0.28
		87.35	97.00	9.65	7.50
	Including	**91.00**	**94.00**	**3.00**	**20.36**
		103.00	104.00	1.00	0.31
		110.00	114.00	4.00	0.27

Summary of significant gold intervals intersected by Zodiac					
Hole ID		**From (m)**	**To (m)**	**Interval (m)**	**Au g/t**
		117.00	118.00	1.00	0.22
		146.00	147.00	1.00	0.77
		150.00	151.25	1.25	0.30
ADD008		124.00	139.00	15.00	0.41
	Including	**125.00**	**126.20**	**1.20**	**1.45**
		166.90	175.00	8.10	1.00
	Including	**171.00**	**174.00**	**3.00**	**2.18**
ADD009		10.45	13.65	3.20	0.25
		24.25	28.50	4.25	1.24
	Including	**24.25**	**24.85**	**0.60**	**4.85**
	And	**26.50**	**27.50**	**1.00**	**1.77**
		32.00	33.00	1.00	0.31
ADD010		53.00	60.67	7.67	0.53
	Including	**54.90**	**55.60**	**0.70**	**1.93**
		68.00	69.00	1.00	0.48
		82.00	85.55	3.55	0.30
ADD012		9.15	11.30	2.15	0.92
		15.92	17.80	1.88	0.44
ADD013		107.00	109.95	2.95	0.30
ADD014		2	3	1.00	0.30
ADD015		19.62	35.00	15.38	1.02
	Including	**24.00**	**34.00**	**10.00**	**1.39**
	And	**27.00**	**31.00**	**4.00**	**2.25**
		43.00	47.00	4.00	1.31
	Including	**43.00**	**44.00**	**1.00**	**3.95**
		52.00	56.00	4.00	0.62
	Including	**52.00**	**53.00**	**1.00**	**1.16**
ADD016		34.73	37.92	3.19	1.49
	Including	**36.71**	**37.31**	**0.60**	**2.32**
		45.00	54.00	9.00	0.86
	Including	**45.00**	**46.00**	**1.00**	**1.86**

Summary of significant gold intervals intersected by Zodiac					
Hole ID		**From (m)**	**To (m)**	**Interval (m)**	**Au g/t**
	And	**53.00**	**54.00**	**1.00**	**2.72**
		62.00	63.00	1.00	0.23
		68.00	79.64	11.64	1.12
	Including	**72.00**	**75.00**	**3.00**	**3.58**
	Including	**74.00**	**75.00**	**1.00**	**6.26**
		103.00	107.00	4.00	0.26
		111.00	114.00	3.00	1.02
	Including	**111.00**	**112.00**	**1.00**	**2.08**
ADD017		2.80	4.60	1.80	0.23
ADD018		28.00	31.25	3.25	0.59
	Including	**30.29**	**31.25**	**0.96**	**1.50**
ADD019		3.40	10.40	7.00	0.28
		20.00	21.00	1.00	0.43
		55.00	56.00	1.00	0.24
ADD020		30.00	34.00	4.00	1.21
	Including	**32.00**	**34.00**	**2.00**	**1.77**
ADD021		10.00	18.05	8.05	0.55
	Including	**10.00**	**11.00**	**1.00**	**2.38**
	And	**17.00**	**18.05**	**1.05**	**1.28**
		21.00	23.00	2.00	0.26
ADD022		62.00	69.00	7.00	0.79
		65.00	69.00	4.00	1.28
	Including	**68.00**	**69.00**	**1.00**	**3.31**
Significant intersections have been determined as intervals above 0.2 g/t Au with a minimum length of 1 m and a maximum of 2 m of consecutive samples below 0.2 g/t Au. Intervals are drilled rather than true thicknesses.					

Sample Preparation, Analyses and Security

Prior to taking a channel or drill core sample, a laminated sample ticket showing the sample number is placed inside the sample bag and the sample number is also written on the outside of the bag. Once the sample has been taken, the sample bag is sealed with a cable tie holding another laminated sample ticket and is stored in a labelled rice sack with other samples at Zodiac Gold's field camp, before being transported to Zodiac's office in Monrovia where the samples are kept in a locked office. No sample splitting or reduction is completed by Zodiac.

ACA Howe observed the process described above during the channel sampling in trenches and artisanal pits and considers the sample security measures to be suitable. Drill core logging, sampling and handling procedures were discussed with the Zodiac team during the visit in April 2022. ACA Howe considers the procedures to be consistent with industry best practices, but recommends the analysis of field duplicates or mineralised coarse rejects in the QA/QC protocols for the next drilling programme. In addition, the proportion of samples submitted to an umpire laboratory should be increased to 3 to 4% of the total samples.

Channel and drill core samples are transported to ALS Côte d'Ivoire SARL, either by courier or they are driven to the border with Côte d'Ivoire and transferred to a truck sent by ALS. On receipt of the samples, ALS checks the chain of custody sheets provided by Zodiac to make sure that no samples are missing and that no seals are broken. ALS is independent of Zodiac and acts as a service provider as required.

Sample preparation for trench and surface channel samples was completed by ALS Côte d'Ivoire SARL using the following methods:

- WEI-21 – weighing of samples.
- LOG-22 – samples logged into the ALS system.
- CRU-31 – crushing to 70% <2 mm.
- SPL-21 – sample splitting.
- PUL-32 – 1 kg of material pulverised to 85% <75 microns.

Sample preparation for the drill core was as described above, other than the use of method PUL-31 rather than PUL-32. In method PUL-31, a split of 250 g is pulverised to 85% passing 75 microns.

On completion of the above, samples were sent to ALS Ouagadougou for analysis of 50 g of sample material by fire assay and atomic absorption spectrometry (method Au-AA26). The method has a lower detection limit of 0.01 g/t Au. ALS Ouagadougou is accredited to ISO/IEC 17025:2017 for method Au-AA26. ALS states that all sample preparation is completed according to the same standard operating procedures and quality assurance plans. Selected samples from gold mineralized intersections from trenching (1,822 samples) and artisanal pit sampling (71 samples) were also analysed for a suite of 35 elements by ALS Johannesburg (method ME-ICP41 - Aqua Regia ICP-AES).

ACA Howe considers the laboratories and analytical methods utilised to be appropriate for the analysis of samples as required by Zodiac.

Quality Assurance and Quality Control

Zodiac inserted 82 field duplicate samples and 44 blanks into the sample sequence during the sampling of trenches AT-01 to AT-24. No QA/QC samples were utilised during the sampling of artisanal mining pits.

Approximately 5% of the samples in the trench database are duplicate or blank samples, which ACA Howe considers to be sufficient given the stage of exploration at the time, though the proportion of blank samples should be increased in future programmes. No Certified Reference Material (CRM) was inserted to the sample sequence as a check on laboratory accuracy. ACA Howe recommends that CRM samples are utilised in all future sampling programmes.

ACA Howe considers the results of the duplicate and blank analysis in the trenching programme to be reasonable considering the deposit type and potential that the results of duplicate samples could be affected by coarse grained gold.

Zodiac submitted 3,647 drill hole samples for analysis by ALS, plus an additional 156 CRM samples, 32 pulp duplicates analysed at an umpire laboratory and 128 blanks. An additional 192 pulps were re-analysed by ALS due to the initial analysis of some CRM samples being outside acceptable limits. The proportion of QA/QC samples in the database is 4% for CRM samples, 1% for pulp duplicates and 3% for blanks. The re-analysis of pulps by ALS provides a further 5% of duplicate samples for comparison. No blank samples were included in holes ADD001 to ADD004 but were inserted to the sample sequence from hole ADD005 onwards.

The CRM control charts show variation in analytical results over time, in some cases including a steady downward drift and in others a change in variation from the control grade between sample submissions. This indicates possible instrumental drift or degradation of CRM material (Abzalov, 2011). ACA Howe recommends that CRM sample results are carefully monitored during the course of future programmes.

The results of 19 CRM samples were outside +/- 3SD from the control grade (18 below the control grade, 1 above). Re-assaying of 192 samples and an investigation by ALS concluded the inaccuracies were due to internal laboratory supply issues and subsequent changes to normal procedures. The overall mean for the original and re-assayed samples is 0.25 g/t Au, though between the grade range of 0.2 and 0.8 g/t Au, the mean for the original assays was 0.36 g/t Au and for the re-assays it was 0.39 g/t Au. Once the original assays were replaced in the database by the re-assays, changes to the significant intersections from Zodiac's drilling were in the range of a decrease in grade of 0.09 g/t Au and an increase in grade of 0.12 g/t Au.

ACA Howe considers the QA/QC follow-up protocol utilised by Zodiac for the CRM samples to be suitable.

32 pulp duplicates were submitted to SGS Ghana. The original samples had a mean grade of 1.09 g/t Au, whereas the mean grade of the SGS assays was 1.09 g/t Au. While a greater number of duplicates would be beneficial, ACA Howe considers the results of the duplicate analysis to be reasonable considering the deposit type and potential that the results of duplicate samples could be affected by coarse grained gold.

The results of all blank samples are within the range of three times detection limit and are considered to be acceptable.

ACA Howe recommends that the analysis of field duplicates or mineralised coarse rejects is included in the QA/QC protocols for the next drilling programme. In addition, the proportion of samples submitted to an umpire laboratory should be increased to 3 to 4% of the total samples.

Data Verification

Tom Dowrick, Managing Director of ACA Howe, visited the Todi Property and Zodiac's office in Monrovia from February 5 – 8, 2021 and April 8 – 9, 2022. The following activities were completed during the visits:

- Three verification samples were taken in trenches AT-02 and AT-03 at Red Hill Field. The two samples from AT-03 returned only low grade gold assays in both the Zodiac and ACA Howe samples (samples were taken before the assay results were received). The ACA Howe sample from AT-02 returned a grade of 1.72 g/t Au compared to the Zodiac result of 1.43 g/t Au.

- An additional eight channel samples were taken from the artisanal workings at Red Hill Field, Deep Mining Site, Ben Ben and Youth Camp, returning grades including 0.75 m at 1.97 g/t Au, 0.90 m at 1.11 g/t Au, 0.75 m at 2.93 g/t Au and 1.50 m at 0.49 g/t Au.
- Drill core from holes GDD001, GDD007 and GDD010 drilled by Gem Rocks in the Alasala – Mandingo Hill area was inspected though no samples were taken.
- Inspection of drill core from holes ADD001 to ADD004.
- Eight independent verification samples taken from holes ADD001 to ADD004 (see table below).
- Discussions on the procedures for drilling, logging, sampling and QA/QC with Zodiac geologists.
- The accuracy of the collar locations for holes ADD001 to ADD004 was confirmed using a handheld GPS.
- Visit to the Garang Base artisanal workings. No samples were taken due to difficulty accessing the pits.

Details of verification sampling completed in April 2022						
Hole ID	**From**	**To**	**Zodiac Sample ID**	**Zodiac Grade (g/t Au)**	**ACA Howe Sample ID**	**ACA Howe Grade (g/t Au)**
ADD001	25	26	DD0027	1.26	ACA22-02	0.82
ADD001	43	44	DD0045	1.03	ACA22-03	0.94
ADD002	73	74.27	DD0238	0.82	ACA22-04	1.82
ADD002	165	166	DD0339	1.96	ACA22-05	0.98
ADD003	96.9	98	DD0477	1.72	ACA22-06	4.96
ADD003	113	114	DD0494	0.92	ACA22-07	0.85
ADD004	56	57	DD0601	15.75	ACA22-01	31.5
ADD004	130	131	DD0679	2.23	ACA22-08	1.84

Adjacent Properties

There are four licenses adjacent to the Property, owned by GLR, Inc, Origin Exploration Ltd, Cavalla Resources (Liberia), Inc. and Western Cluster Limited. Please note that ACA Howe is not able to verify the information described below and it is not necessarily indicative of similar mineralization on the Todi Property.

The Kle Kle project, owned by GLR, Inc, is to the southeast of Zodiac's MEL 9000118. A presentation by Amlib Holdings plc (2012) describes several broad zones of mineralization in granite / greenstone terrain in four main prospects named Yeama, Ferra, Equinox and Pepe. The presentation shows the following drill hole grades, though it is not known whether these are drilled or true thicknesses:

Significant intersections at Kle Kle (Amlib Holdings, 2012)			
Prospect	**Hole ID**	**Thickness (m)**	**Grade (g/t Au)**
Yeama	KKD016	4.00	16.54
Yeama	KKD052	5.60	10.73
Yeama	KKD056	5.30	4.63
	Including	2.41	8.97
Ferra	KKD054	4.00	11.23
Ferra	KKD053	1.00	4.99
Equinox	KKD057	4.00	1.59

Origin Exploration Ltd is a private company with an MEL located adjacent to Zodiac Reconnaissance License MRL9000421. In 2021, Origin Exploration Ltd.'s website stated that significant insitu artisanal operations are present and that five main targets have been identified.

Cavalla Resources (Liberia) Inc. is the holder of DEL 14002 (Development Exploration License), which is adjacent to Zodiac's reconnaissance license MRL9000421. DEL 14002 includes the Goe Fantro iron ore deposit, which is hosted in northwest trending metasedimentary rocks known as the Goe Range (Berge, 1971). These rocks were mapped as Composite Unit z by the USGS, as described in Section 7 of the Technical Report. Gunn et al., 2018 report that exploration in the area was first undertaken in the late 1950s and they note that the Liberian American Mining Company (LAMCO) identified two iron-rich bands, one silicate rich and the other oxide rich. The paper by Gunn et al., 2018 states that Cavalla Resources reported an inferred resource in compliance with the JORC code, however ACA Howe has not been able to identify the original source of this information.

Western Cluster Limited is the holder of CLA 2712/22, which is a Class A Mining License incorporating the Bomi Hills iron ore deposit. Western Cluster Limited is a subsidiary of Vedanta Resources Limited. The BGS reports that production at Bomi Hills first took place in the 1950s along with the construction of a railway between the mine and Monrovia. The mine has produced high grade DSO magnetite as well as magnetite concentrate beneficiated from itabirite. In December 2022, Vedanta Resources Limited reported that commercial production began in July 2022. No details on the geological model, resource estimation methodologies or resource categories are available and it is not clear whether the mineral resource estimate was reported in compliance with current standards.

Interpretations and Conclusions

The Todi Property is strategically located on the Todi Shear Zone in an area of West Africa where systematic mineral exploration has been limited. Zodiac has acquired a large land package covering an area of over 2,600 km^2. It is ACA Howe's opinion that the Todi Property warrants additional exploration based on the available regional technical data, the exploration history of the project and results obtained from Zodiac's exploration programmes.

Past owners have identified a number of prospective areas in the Property, which have been subject to artisanal mining and some systematic exploration including geological mapping, soil sampling, trenching and drilling. The strike length of the gold-in-soil anomaly in the Youth Camp – Ben Ben – Arthington zone is approximately 16 km and may be an extension of the mineralisation reported on the MNG property to the southeast. However, ACA Howe cautions that the mineralisation reported on the MNG property is not necessarily indicative of similar mineralisation on the Property. An additional soil anomaly in the Alasala-Mandingo Hill area has a strike length of approximately 2.5 km.

Zodiac's trenching and channel sampling in artisanal pits in the Arthington area returned encouraging results including in the Red Hill Field, Garang Base and Deep Mining Site artisanal mining pits, which are located on a 1.3 km long west-northwest trend from the St Paul River. Trenching has shown the soil sample anomalies to be a good indicator for the presence of in-situ gold mineralisation. As would be expected, the soil anomalies show evidence of the dispersion of gold in the regolith, therefore the width of the soil anomalies do not necessarily correspond to the width of the mineralised zones.

The presence of gold mineralisation of the grade and widths reported by Zodiac in the Arthington area was confirmed during the site visit by ACA Howe in February 2021 and April 2022. In addition, ACA Howe's visit to the Ben Ben and Youth Camp areas confirmed the presence of gold mineralisation consistent with the historical Gem Rocks soil and trenching results. Zodiac's drilling has confirmed the prospectivity of the Arthington area and shows the potential for zones of high grade gold not reported from surface sampling.

Stream sediment sampling in Zodiac's Reconnaissance Licenses has provided zones for more detailed work and previously unknown artisanal workings were identified.

ACA Howe has reviewed Zodiac's exploration procedures and QA/QC results and has completed data validation including verification sampling of Zodiac's trench and drill hole samples, and database checks. In addition, ACA Howe has reviewed the details of sample preparation and analysis by ALS Global. It is concluded that the data is suitable for the purposes used in this Report.

Comments on project-specific risks and uncertainties with the exploration for gold in the Todi Property are as follows:

- There are no known environmental, permitting, legal, taxation, socio-economic, marketing or political risks to the ability to perform the work recommended in Section 26.1 of the Technical Report.

- Zodiac's two Mineral Reconnaissance Licenses expire on January 25, 2024, however can be converted to a Mineral Exploration License once the expiry date is reached, as long as all requirements have been met and all laws and regulators have been complied with.

- No mineral resources have been reported in compliance with NI 43-101 by Zodiac or previous owners of the Property. It is not known whether further exploration will result in the reporting of a mineral resource.

- The exploration results in Section 6 of the Technical Report are historical and have not been fully verified by Zodiac or ACA Howe. However, work completed by Zodiac to date has confirmed the presence of gold mineralization in the Arthington area. In addition, gold mineralization was confirmed in a small number of samples taken by ACA Howe in the Arthington, Ben Ben and Youth Camp areas. ACA Howe cautions that some of the results reported show the sampled width rather than the true width of mineralized zones. In these cases, the true width of the mineralization may be narrower than the sampled width.

- Re-assaying of CRM samples more than 2SD from the control grade, as well as surrounding samples above 0.1 g/t Au, has determined that some results were affected by internal laboratory supply issues and subsequent changes to normal procedures. ACA Howe is satisfied that the follow-up QA/QC protocols utilized by Zodiac were appropriate. Some of the CRM control charts also show variation in analytical results over time, indicating possible instrumental drift or degradation of CRM material (Abzalov, 2011). ACA Howe recommends that QA/QC data is carefully monitored during future drilling programmes.

Recommendations

Zodiac plans to continue its exploration of the Todi Property and ACA Howe concurs that additional exploration is appropriate given the current understanding of the geology, potential deposit types and mineralized zones identified to date. ACA Howe is of the opinion that Zodiac's budget shown below is warranted.

Zodiac Exploration Program Budget	
Item	**Cost C$**
Diamond drilling – 500m @ C$222/m (including drilling expenses of C$94.2/m, equipment rental of $35,000, assays at C$26.6 per sample (including QA/QC), consumables of $15,700)	$ 113,095
Exploration Personnel	$ 91,600
Exploration support (camp and security)	$ 29,000
License costs	$ 81,200
Community development	$ 12,600
Support salaries, administration, and professional fees	$ 274,600
Working capital	$ 106,800
Total	**$ 708,895**

EMERGING MARKET ISSUER DISCLOSURE

Corporate Governance and Internal Controls

The Resulting Issuer will conduct exploration and other activities in Liberia, which is considered to be an emerging market, though its wholly-owned subsidiary Gem Rocks, a corporation incorporated in Liberia. The Resulting Issuer's ownership interest in the Todi Property will be held by Gem Rocks.

Certain of Zodiac's officers, directors, employees and consultants have experience and a track record of successfully operating in emerging markets and Zodiac has the organizational and governance protocols in place to manage the regulatory, legal and cultural challenges and risks associated with having operations in an emerging market.

Zodiac has designed a system of corporate governance, internal controls over financial reporting and disclosure controls and procedures that apply to it and Gem Rocks. These systems, which will be adopted by the Resulting Issuer, are coordinated by Zodiac's senior management and overseen by its board of directors, are designed to monitor the activities, performance and risks at Gem Rocks.

To ensure that Zodiac has appropriate control and direction over Gem Rocks, there is a common director and management between Zodiac and Gem Rocks. The Board and management team regularly receive financial and technical updates on the operational matters of Zodiac and Gem Rocks, and Zodiac is a direct and sole shareholder of Gem Rocks. Since Zodiac holds all of the issued and outstanding equity interests of Gem Rocks, Zodiac exercises effective control over the Gem Rocks, as well as the composition of its board and management.

Executive management prepare and review Gem Rocks' financial reporting as part of preparing its consolidated financial reporting, and Zodiac's independent auditors review the consolidated financial statements under the oversight of Zodiac's Audit Committee.

All of the minute books and corporate records of Gem Rocks are, to the extent required under local regulations, kept at the offices of Gem Rock's Monrovia office**.**

Board and Management Experience in Emerging Markets and Business Oversight

Key members of Zodiac's management term and the Board have extensive experience running business operations in Africa. The Board and management team of Zodiac includes mining industry professionals with expertise and experience working in Africa. Certain directors, executives, employees and consultants of Zodiac have at least a decade of experience in Africa.

The Resulting Issuer's Chief Executive Officer and a director, David Kol, is based in Liberia and manages the day-to-day operations in Liberia. Mr. Kol has over 14 years' experience in conducting business in Liberia, and operating Gem Rocks since its formation in 2011. Mr. Kol's function includes meeting with the relevant Ministers in Liberia, including the Minister of Mines, the Justice Minister and the Labour Minister, in each case as part of his area of responsibility.

Douglas Cater, an independent director of the Resulting Issuer, has over 35 years' experience in the mining section. Mr. Cater, P Geo. ICD.D, is a professional geologist who has worked extensively across Canada and internationally for more than 35 years, with a particular focus on the Abitibi gold belt located in NE Ontario. He has held positions with both senior and intermediate gold producers, including Barrick Gold Corp., Placer Dome Inc. and Kinross Gold Corp. His African exploration experience was obtained while serving as an Exploration Consultant for Barrick Gold Corp. in Tanzania, where he was responsible for the project management of an exploration diamond drill program in the Lake Victoria greenstone belt. His most recent executive position was as Vice President, Exploration (Canada) with Kirkland Lake Gold Ltd. Mr. Cater is also a director of Sierra Metals Inc., Mayfair Gold Corp., Exploits Discovery Corp. and Gowest Gold Ltd. He is a graduate of the ICD-Rotman Directors Education Program.

Graham Warren, an independent director of the Resulting Issuer, has over 30 years' experience in the mining section. Mr. Warren is a senior financial executive with over 30 years of experience with emerging and established companies primarily in the mining and oil and gas sectors. Mr. Warren has considerable operations, corporate finance, board and public markets expertise. He has extensive global experience, including Africa where he has worked in both Nigeria and Botswana for a combined 15 years. Mr. Warren has a B-Comm and is a Chartered Professional Accountant. Currently he provides CFO and corporate secretarial services to three publicly traded companies and serves on the board of directors of one TSXV listed company.

Efdal Olcer, the Resulting Issuer's Vice President of Exploration, is a highly accomplished and qualified Exploration Geologist with over 18 years of international mining and exploration experience. Mr. Olcer has unique technical skills and experience gained in various mineral categories and diverse geological environments, including Greenstone, Archean, Proterozoic and Tethyan in Africa, the Middle East, and Turkey. He possesses a demonstrable track record in mineral exploration, specifically gold exploration in diverse deposit types including; epithermal, porphyry, orogenic, and within different terrains. He has also gained extensive greenfield and brownfield exploration and project development experience with the majority resulting in discoveries and several converting into profitable gold mines. Before joining Zodiac, Mr. Olcer served as Chief Geologist for Summa Gold and Exploration Manager of MNG Gold, a subsidiary of Avesoro Holdings. Efdal also held senior geological positions for KEFI Minerals, Asia Minor Mining Inc., and Stratex Exploration PLC. Efdal holds a B.Sc. Degree in Geological Engineering from Middle East Technical University. He is a member of the Society of Economic Geologists, Geological Society of London, Australian Institute of Geoscientists, Society of Geology Applied to Mineral Deposits, and Turkish Association of Economics Geologists.

Zodiac has approximately 14 employees working full time in Liberia both on the project site and in the Monrovia office. Three of these employees are expatriates (CEO, Finance Manager and exploration accountant), whereas the remaining staff are Liberians. The Company engages contract geological firms to undertake exploration activities overseen by the Vice President of Exploration.

The local Liberian employees consist of accountants, logistics staff, drivers and camp personnel. The executive officers will travel to Liberia on a planned quarterly basis and on an ad-hoc basis when required, in each case.

The Zodiac board regularly receives briefings, risk assessments and progress reports in connection with the operations in Liberia, and in so doing, maintains effective oversight of its business and operations. Through these updates, assessments and reports, the directors gain familiarity with the operations, laws and risks associated with operations in such jurisdictions. Further, the directors also have access to key expatriate employees who in turn work directly with the local Liberian workforce. David Kol, the Chief Executive Officer, Efdal Olcer and local management personnel are familiar with the local laws, business culture and standard practices, are experienced in working in the applicable emerging jurisdiction and in dealing with the respective government authorities and have experience and knowledge of the local banking systems and treasury requirements.

Internal Controls, Banking and Cash Management

Zodiac maintains internal controls over financial reporting with respect to its operations in emerging markets.

Liberia has a managed floating exchange rate system, with Liberian and US dollars being legal tender. There are no restrictions or limitations placed on foreign investors in converting, transferring, or repatriating funds associated with an investment (e.g., remittances of investment capital, earnings, loans, lease payments, and royalties). The Central Bank of Liberia requires that transfer of foreign currency must have been in the entity's bank account for no less than three banking days prior to transfer. There is no limit on the amount that can be transferred. Business transactions and contracts are largely conducted or specified in U.S. dollars. Exchange of Liberian dollars for foreign currency (e.g., U.S. dollars) may take several days due to a shortage of foreign exchange, as most foreign currency comes into the country by way of remittances from abroad. Also, as needed Zodiac will hire and engage local experts and professionals (i.e., legal, accounting and tax consultants) to advise Zodiac with respect to current and new regulations in respect of banking, financial and tax matters in Liberia. Zodiac utilizes established and well recognized financial institutions in Liberia. Any differences in banking systems and controls between Canada and Liberia will be addressed by having controls over cash in both locations, especially over access to cash, cash disbursements, appropriate authorization levels, performing and reviewing bank reconciliations on a regular basis and segregation of duties.

Health and Security

Health and security risks in Liberia are overseen and managed by dedicated teams of health and security professionals. The Board and management team regularly receive risk assessments, public affairs updates and progress reports on the health and security risks affecting Zodiac's operations and personnel in Liberia, and in so doing, maintain effective oversight of such risks.

The security of its people and exploration sites in Liberia is ensured by local security teams who monitor and respond to regional security risks. Zodiac's security team utilizes a combination of established practices, protocols and routines to detect, deter and protect against such risks and comply with internationally recognized standards. All of Zodiac's security personnel have substantial experience working in Liberia and are based either at the exploration sites or in offices in the region.

Communication and Cultural Differences

The primary operating language in Liberia is English. Differences in cultures and practices are addressed by employing competent staff in Liberia who are familiar with the local laws, business culture and standard practices, are experienced in working in Africa generally and in dealing with the relevant government authorities and have experience and knowledge of the local banking systems and treasury requirements.

Zodiac has engaged local counsel in the jurisdiction and has engaged and will continue to engage in meetings and discussions with its Chief Executive Officer and other key employees of Gem Rocks. Knowledge of the local business, culture and practices will be imparted by these individuals to other directors and officers of Zodiac. The directors and officers will, as necessary, visit Liberia in the course of operations and as a result come into contact with other employees, personnel, government officials, consultants, business persons and suppliers who are locals in Liberia, which will enable them to enhance their knowledge on these fronts. The Resulting Issuer will also rely heavily on the expertise and advice of its Liberian counsel and local consultants in conducting its business operations in accordance with local business culture and practices.

Local Laws and Permitting

In order to satisfy itself of Gem Rocks' ownership of the Todi Project and its corporate status and the permitting and other requirements for Zodiac to carry on its business operations in Liberia, Zodiac has, among other things: (i) obtained and reviewed opinions from a Liberian law firm; (ii) reviewed the MEL and MRLs; and (iii) engaged and will continue to engage in meetings and discussions with its external legal counsel and consultants and Gem Rocks, which has personnel on the ground and has been active in Liberia since its founding in 2011.

The Government of Liberia regulates mining activities under the Liberia Mining Act, which is Part I of Title 23 of the Liberian Code of Laws Revised, and the regulations promulgated by the Ministry, including the Mineral Exploration Regulation. Other laws applicable to the mineral sector are the Liberia Revenue Code as amended 2011 and the Public Procurement and Concessions Commission Act as well as the

Environmental Management and Protection Law. The Ministry of Mines is the Liberian Government agency responsible for the administration of the mining sector and has statutory oversight of the mineral resources in the Republic of Liberia. Environmental protection guidelines for mineral exploration and exploitation were formulated by the Environmental Protection Agency of Liberia and the Ministry of Mines. All companies seeking a mining license are required to submit an environmental and social impact assessment to be evaluated and approved by the Liberian Government.

The MEL and MRLs confirm Gem Rocks' title, interest in and exploration and mineral rights to explore the Todi Project.

The Resulting Issuer's officers also have and will continue to review relevant materials and attend programs as they become available and as necessary, such as internal or webcast meetings and presentations created by Liberian counsel whereby, they are apprised of new developments in the legal regime and new requirements that come into force from time to time, such that management is kept aware of relevant material legal developments in Liberia as they pertain to and affect Zodiac's business. Any material developments will then be discussed with the directors at the board level.

SELECTED CONSOLIDATED FINANCIAL INFORMATION AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Annual and Interim Information

A summary of selected financial information of Zodiac, including for the years ended March 31, 2023 and March 31, 2022 and for the three months ended June 30, 2023 is set out below and should be read in conjunction with Zodiac's audited financial statements for the year ended March 31, 2023, and the unaudited financial statements for the year ended March 31, 2022 and its unaudited financial statements for the three months ended June 30, 2023, attached as Appendix B.

	Three Months Ended June 30, 2023 (US$) (unaudited)	Year Ended March 31, 2023 (US$) (audited)	Year Ended March 31, 2022 (US$) (unaudited)
Net revenue	Nil	Nil	Nil
Loss from Operations	(401,345)	(1,741,157)	(2,070,750)
Net Loss	(312,625)	(1,412,615)	(2,786,534)
Total Assets	335,771	257,552	304,437
Total Liabilities	1,226,293	1,255,659	782,454
Net profit (loss) per share	(0.01)	(0.03)	(0.12)
Shareholders' Equity (Deficit)	(890,522)	(998,107)	(478,017)

Management's Discussion and Analysis

Zodiac's MD&A for the year ended March 31, 2023 and March 31, 2022 and the three months ended June 30, 2023, are attached as Appendix D hereto.

DESCRIPTION OF THE SECURITIES

Zodiac's authorized share capital consists of an unlimited number of common shares without par value. As at the date of this Filing Statement, there are 54,034,194 Zodiac Shares issued and outstanding. The Zodiac Shareholders are entitled to receive notice of and to attend at all meetings of Zodiac Shareholders and to one vote for each Zodiac Share. Zodiac Shareholders are entitled to receive dividends as and when declared by the Zodiac Board and to participate rateably in any distribution of property or assets upon the liquidation, winding up or other dissolution of Zodiac. The Zodiac Shares are not subject to pre-emptive rights; conversion or exchange rights; redemption, retraction, purchase for cancellation, or surrender provisions; sinking or purchase fund provisions; provisions permitting or restricting the issuance of additional securities or any other material restrictions; or provisions requiring a securityholder to contribute additional capital.

As of the date of this Filing Statement, Zodiac has 29,934,248 Zodiac Warrants and 6,065,000 Zodiac Options issued and outstanding.

Zodiac Incentive Plan

Zodiac adopted the Zodiac Inventive Plan on April 1, 2022.

The Zodiac Incentive Plan is a "rolling" omnibus equity incentive plan pursuant to which the Zodiac is authorized to grant equity incentive awards for up to 10% of its issued and outstanding shares, from time to time, plus a fixed number of 2,000,000 Zodiac Shares reserved for issuance in connection with the exercise of stock options granted under the Zodiac Incentive Plan. The Zodiac Incentive Plan permits the grant of Zodiac Options, Restricted Share Units ("**RSU**"), Performance Share Units ("**PSU**") and Deferred Share Units ("**DSU**") (individually, or collectively, an "**Award**") to eligible participants.

The purpose of the Zodiac Incentive Plan is to provide incentive to qualified parties to increase their proprietary interest in the Zodiac and thereby encourage their continuing association with the Zodiac. The Zodiac Incentive Plan is administered by the Zodiac Board, or a person or committee determined by the Zodiac Board, which has full and final authority with respect to the granting of all Awards thereunder.

Under the Zodiac Incentive Plan, the maximum number of Zodiac Shares issuable from treasury pursuant to Awards shall not exceed 10% of the total outstanding Zodiac Shares, plus a fixed number of 2,000,000 Zodiac Shares, from time to time less the number of Zodiac Shares issuable pursuant to any RSU, PSUs and DSUs issued under the Zodiac Incentive Plan and any other security-based compensation arrangements of the Zodiac. The Zodiac Incentive Plan with respect to the Awards is a "rolling plan" and as a result, any and all increases in the number of issued and outstanding Zodiac Shares will result in an increase to the number of Awards for issuance under the Plan. Shares in respect of which Awards have not been exercised, or with respect to RSU, PSUs and DSUs have not been vested, and are no longer subject to being purchased pursuant to the terms of any Awards shall be available for further Awards under the Plan.

Pursuant to the Zodiac Incentive Plan, Awards may be issued to employees, officers, directors, and consultants of Zodiac (each, a "**Participant**"). Pursuant to the Zodiac Incentive Plan, for so long as Zodiac is listed on the TSXV, not more than 2% of the Zodiac's issued and outstanding shares may be granted to a consultant or person conducting investor relations on behalf of the Zodiac in any 12 month period. Additionally, unless disinterested shareholder approval is obtained, not more than 5% of the Zodiac's issued and outstanding share capital may be issued to any one person in any 12-month period, the aggregate number of Zodiac Shares issuable to insiders (as a group) at any time or within any one year period shall not exceed 10% of the Zodiac's issued and outstanding capital, and the Zodiac shall not decrease the exercise price or extend the term of stock options previously granted to insiders. Investor relations service providers shall not be eligible to receive any Awards other than stock options,

If a Participant who is an officer, employee, or consultant ceases to be engaged by the Zodiac, each Zodiac Option held by such Participant shall terminate 90 days after the cessation of such engagement.

Under the Zodiac Incentive Plan, the exercise price of each Zodiac Option shall be determined at the time such option is granted, provided that such price shall not be lower than the market price of the Zodiac Shares at the time the Zodiac Option is granted. Zodiac Options can be exercisable for a maximum term of 10 years and vest at the discretion of the Zodiac Board.

Optionees may elect to exercise the Zodiac Option, in whole or in part, on a "net exercise" ("**Net Exercise**") basis. In connection with a Net Exercise of the Zodiac Options, an Optionee would receive such number of the Zodiac Shares equal in value to the difference between the Zodiac Option price and the fair market value of the Zodiac Shares on the date of exercise, computed in accordance with the terms of the Zodiac Incentive Plan.

Restricted Share Units

Subject to the terms and conditions of the Zodiac Incentive Plan and any policies of the Exchange, the Zodiac Board may grant RSUs to Participants in such amounts and upon such terms (including time-based restrictions on vesting, restrictions under applicable laws or under the requirements of the Exchange) as the Zodiac Board shall determine.

When and if RSUs become payable, the Participant issued such RSUs shall be entitled to receive payment from the Zodiac in settlement of such RSU: (i) in a number of Zodiac Shares (issued from treasury) equal to the number of RSUs being settled, or (ii) in any other form, all as determined by the Zodiac Board at its sole discretion. The Zodiac Board's determination regarding the form of payout shall be set forth or reserved for later determination in the Award Agreement for the grant of the RSUs.

Unless otherwise specified in an Award agreement granting RSUs, RSUs shall vest at the discretion of the Zodiac Board, subject to the policies of the Exchange, provided that, and subject to the Zodiac Board's discretion: (i) upon a Participant's termination for cause, all RSUs, whether vested (if not yet paid out) or not as at the Termination Date will automatically and immediately expire and be forfeited; (ii) upon the death of a Participant, all unvested RSUs as at the Termination Date shall automatically and immediately vest and be paid out to the Participant's estate; (iii) in the case of the disability of a Participant, all RSUs shall remain and continue to vest in accordance with the terms of the Zodiac Incentive Plan for a period of 12 months after the Termination Date, provided that any RSUs that have not been vested within 12 months after the Termination Date shall automatically and immediately expire and be forfeited on such date; (iv) in the case of the retirement of a Participant, the Zodiac Board shall have discretion, with respect to such RSUs, to determine whether to accelerate the vesting of such RSUs, cancel such RSUs with or without payment and determine how long, if at all, such RSUs may remain outstanding following the Termination Date, provided, however, that in no event shall such RSUs be exercisable for more than 12 months after the Termination Date; and (v) in all other cases where a Participant ceases to be eligible under the Zodiac Incentive Plan, including a termination without cause or a voluntary resignation, unless otherwise determined by the Zodiac Board, all unvested RSUs shall automatically and immediately expire and be forfeited as of the Termination Date, and all vested RSUs will be paid out in accordance with the Zodiac Incentive Plan.

Participants holding RSUs may, if the Zodiac Board so determines, be credited with dividends paid with respect of the underlying Zodiac Shares or dividend equivalents while they are so held in a manner determined by the Zodiac Board in its sole discretion.

Performance Share Units

Subject to the terms and conditions of the Zodiac Incentive Plan and any policies of the Exchange, the Zodiac Board may grant PSUs to Participants in such amounts and upon such terms (including the performance criteria applicable to such PSUs) as the Zodiac Board shall determine. Each PSU shall have an initial value equal to the fair market value of a Zodiac Share on the date of grant. After the applicable performance period has ended, the holder of a PSU shall be entitled to receive payout on the value and number of PSUs, determined as a function of the extent to which the corresponding performance criteria have been achieved.

Subject to the terms of the Zodiac Incentive Plan, the Zodiac Board, in its sole discretion, may pay earned PSUs in the form of a number of Zodiac Shares issued from treasury equal to the number of earned PSUs at the end of the applicable performance period. Any Zodiac Shares may be granted subject to any restrictions deemed appropriate by the Zodiac Board. Participants holding PSUs may, if the Zodiac Board so determines, be credited with dividends paid with respect of the underlying Zodiac Shares or dividend equivalents while they are so held in a manner determined by the Zodiac Board in its sole discretion.

The extent to which a Participant shall have the right to retain PSUs following termination of the Participant's employment or other relationship with the Zodiac, shall be set out in each PSU Award Agreement and determined in the sole discretion of the Zodiac Board, and need not be uniform among all PSUs issued pursuant to the Zodiac Incentive Plan, and may reflect distinctions based on the reasons for termination, provided that the provisions shall comply with the applicable rules of the Exchange.

Deferred Share Units

Subject to the terms and conditions of the Zodiac Incentive Plan and any policies of the Exchange, the Zodiac Board may fix from time to time a portion of the Director Fees to is to be payable in the form of DSUs. Each DSU shall have an initial value equal to the fair market value of a Zodiac Share on the date of grant.

CONSOLIDATED CAPITALIZATION

The following table outlines the capitalization of Zodiac:

Designation of Security	Amount Authorized	Amount outstanding as at June 30, 2023	Amount Outstanding as at the date of this Filing Statement prior to giving effect to the Transaction
Zodiac Shares	Unlimited	53,834,194	54,034,194
Zodiac Options	2,000,000 and 10% of outstanding	3,350,000(1)	6,065,000(2)
Zodiac Warrants	N/A	29,934,248(3)	29,934,248(4)

Notes:
(1) The Zodiac Options entitle the holders thereof to purchase an aggregate of 3,350,000 Zodiac Shares at an exercise price of C$0.18 with an expiry date ranging from April 1, 2032 to August 10, 2032.
(2) The Zodiac Options entitle the holders thereof to purchase an aggregate of 6,065,000 Zodiac Shares at an exercise price of C$0.18 with an expiry date ranging from April 28, 2025 to July 18, 2033.
(3) The Zodiac Warrants entitle the holders thereof to purchase an aggregate of 29,934,248 Zodiac Shares at an exercise price ranging from C$0.24 to US$0.185 and with an expiry date ranging from March 18, 2024 to May 5, 2025, and the date that is 6 months from Closing.
(4) The Zodiac Warrants entitle the holders thereof to purchase an aggregate of 29,934,248 Zodiac Shares at an exercise price ranging from C$0.24 to C$0.25 with an expiry date ranging from March 18, 2024 to the date that is two years from Closing.

PRIOR SALES

The following table sets out the dates and prices at which Zodiac Shares were sold during the 12 months preceding the date of this Filing Statement.

Date	Number and Type of Securities	Issue/Exercise Price per Security (C$/US$)	Nature of Consideration Received
August 10, 2022	200,000 Zodiac Options	C$0.18(1)	Compensation
November 4, 2022	4,574,070 Units(2)	US$0.135(3)	Cash
April 4 to May 5, 2023	700,000 Zodiac Options	C$0.18	Compensation
May 5, 2023	3,491,443 Units(4)	C$0.18/US$0.135	Cash
May 30, 2023	1,660,151 Zodiac Shares(5)	C$0.18/US$0.135	Debt Settlement
June 7, 2023	140,000 Zodiac Shares(6)	C$0.18	Pursuant to Consulting Agreement
July 18, 2023	2,715,000 Zodiac Options(7)	C$0.18	Compensation
August 28, 2023	200,000 Zodiac Shares(8)	C$0.18	Pursuant to Settlement Agreement

Notes:
(1) The options originally had an exercise price of C$0.25 per share. On January 25, 2023, the Zodiac Board repriced these options to C$0.18 per share.
(2) Issued pursuant to a non-brokered private placement. Each unit is comprised of one Zodiac Share and one Zodiac common share purchase warrant, each of which is exercisable at US$0.185 for a period of 2 years. 55,555 units were issued to a director, Mark Kol.
(3) On January 30, 2023, Zodiac amended the subscription agreements with the subscribers. Pursuant to the terms of the subscription agreement amendments, the price of each unit is amended from US$0.20 per unit to US$0.135 per unit, the composition of each unit is amended from one Zodiac Share and one-half Zodiac Warrant to one Zodiac Share and one full Zodiac Warrant, and the exercise price of each warrant is amended from US$0.30 to US$0.185.
(4) Issued pursuant to the Zodiac Financing.
(5) In connection with the settlement of debt owing by Zodiac, 1,475,000 Zodiac Shares were issued to David Kol, CEO and director, 88,888 Zodiac Shares were issued to Mark Kol, director, 96,263 Zodiac Shares were issued to Peter Granata, CFO of Zodiac.
(6) In connection with a financial advisor agreement, 140,000 Zodiac Shares were issued to 2713037 Ontario Ltd., a company owned and controlled by Robin McWatt, CEO, CFO and director of ShellCo.
(7) An aggregate of 2,450,000 Zodiac Options were granted to directors and officers of Zodiac.
(8) Pursuant to the terms of a settlement agreement dated August 20, 2023, between Zodiac and an independent consultant, Zodiac issued 200,000 Zodiac Shares to the independent consultant to settle all outstanding obligations relating to the independent consultant's prior engagement as a financial advisor to Zodiac.

STOCK EXCHANGE PRICE

The Zodiac Shares are not listed on any stock exchange.

EXECUTIVE COMPENSATION

Director and Named Executive Officer Compensation

When determining executive compensation, Zodiac's practices have been designed to retain, motivate and reward the executive officers of Zodiac for their performance and contribution to Zodiac's long-term success. The Zodiac Board seeks to compensate Zodiac's executive officers by combining short and long-term cash and equity incentives It also seeks to reward the achievement of corporate and individual performance objectives, and to align executive officers' incentives with shareholder value creation. The Zodiac Board seeks to tie individual goals to the area of the executive officer's primary responsibility. These goals may include the achievement of specific financial or business development goals.

The Zodiac Board approves of the executive compensation arrangements and the consulting agreements for the Chief Executive Officer, Vice President of Exploration and Chief Financial Officer.

Zodiac does not have a compensation committee. All compensation matters are dealt with by the entire Zodiac Board. Zodiac has adopted the Zodiac Incentive Plan pursuant to which it has granted 6,065,000 Zodiac Options to its officers, directors, employees and consultants.

As at March 31, 2023, the end of the most recently completed fiscal year of Zodiac, Zodiac had three Named Executive Officers, as that term is defined in Form 51-102F6 – *Statement of Executive Compensation*. As a private company, Zodiac has not instituted any formal executive compensation policies or programs for its executive officers or directors. From the date of incorporation on May 26, 2020 to March 31, 2023, executive officers were paid on a consultancy basis.

The Zodiac Board has not considered the implications of the risks associated with Zodiac's compensation practices.

The following table sets forth the compensation for all Named Executive Officers and directors of Zodiac, for the years ended March 31, 2023 and March 31, 2022.

Name and Principal Position	**Year Ended**	**Salary, consulting fee (US$)**	**Share-based awards (US$)**	**Option-based awards (US$)**	**Non-equity incentive plan compensation (US$)**		**Pension value (US$)**	**All other compensation (US$**	**Total compensation**
					Annual incentive plans	**Long-term incentive plans**			
David Kol, *CEO & Director*	March 31 2023	120,000	Nil	56,250	Nil	Nil	Nil	Nil	176,250
	March 31, 2022	60,000	Nil	Nil	Nil	Nil	Nil	Nil	60,000
Efdal Olcer, *Vice President of Exploration*(1)	March 31, 2023	6,000	Nil	Nil	Nil	Nil	Nil	Nil	6,000
	March 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	March 31, 2023	31,747	Nil	9,000	Nil	Nil	Nil	Nil	40,747

Name and Principal Position	Year Ended	Salary, consulting fee (US$)	Share-based awards (US$)	Option-based awards (US$)	Non-equity incentive plan compensation (US$)		Pension value (US$)	All other compensation (US$	Total compensation
					Annual incentive plans	Long-term incentive plans			
Peter Granata, *CFO*(2)	March 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Daniel Leroux *Former CEO, President & Director*(3)	March 31, 2023	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	March 31, 2022	13,585	Nil	Nil	Nil	Nil	Nil	Nil	13,585
Mark Kol *Director*	March 31, 2023	Nil	Nil	56,250	Nil	Nil	Nil	Nil	56,250
	March 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Graham Warren *Director*	March 31, 2023	Nil	Nil	52,913	Nil	Nil	Nil	Nil	52,913
	March 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Douglas Cater *Director*	March 31, 2023	Nil	Nil	31,500	Nil	Nil	Nil	Nil	31,500
	March 31, 2022	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) Mr. Olcer was appointed Vice President of Exploration effective January 26, 2023.

(2) Mr. Granata held the office of Interim CFO for the period from May 26, 2020 to December 1, 2020, and was reappointed CFO effective April 1, 2022.

(3) Mr. Leroux was CEO, President and a director from February 24, 2021 to March 21, 2022.

External Management Companies

Zodiac is not party to any management contracts under which management functions are performed by a person other than a director or officer of Zodiac.

Stock Options and Other Compensation Securities

Zodiac has the following compensation securities outstanding to its Named Executive Officers and directors:

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry date
David Kol, *CEO & Director*	Stock Options	625,000	April 1, 2022	$0.18	N/A	N/A	April 1, 2032
	Stock Options	500,000	July 18, 2023	$0.18	N/A	N/A	July 18, 2033

Name and Position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price ($)	Closing price of security or underlying security on date of grant ($)	Closing price of security or underlying security at year end ($)	Expiry date
Efdal Olcer, *Vice President of Exploration*	Stock Options	250,000	July 18, 2023	$0.18	N/A	N/A	July 18, 2033
Peter Granata, *CFO*	Stock Options	100,000	April 1, 2022	$0.18	N/A	N/A	April 1, 2032
	Stock Options	100,000	July 18, 2023	$0.18	N/A	N/A	July 18, 2033
Douglas Cater *Director*	Stock Options	350,000	April 1, 2022	$0.18	N/A	N/A	April 1, 2032
	Stock Options	500,000	July 18, 2023	$0.18	N/A	N/A	July 18, 2033
Graham Warren *Director*	Stock Options	350,000	July 5, 2022	$0.18	N/A	N/A	July 5, 2032
	Stock Options	500,000	July 18, 2023	$0.18	N/A	N/A	July 18, 2033
Mark Kol *Director*	Stock Options	625,000	April 1, 2022	$0.18	N/A	N/A	April 1, 2032
	Stock Options	500,000	July 18, 2023	$0.18	N/A	N/A	July 18, 2033

Stock Option Plans and Other Incentive Plans

The Zodiac Incentive Plan is Zodiac's only equity incentive plan.

Employment, Consulting, and Management Agreements

Except as noted below, Zodiac does not have any agreements under which compensation was provided in respect of services performed by a director or Named Executive Officer, or performed by any other party but are services typically provided by a director or a Named Executive Officer:

- Pursuant to a consulting agreement dated January 1, 2021 between Zodiac and David Kol, David Kol is paid consulting fees of US$7,500 per month. Zodiac may terminate the consulting agreement by providing David Kol with 30 days written notice of termination and a lump sum payment equal to 6 months of the average monthly fees. In the event of a change of control, David Kol will be entitled to payment of 12 months of the average monthly fee.

- Pursuant to a consulting agreement dated January 26, 2023 between Zodiac and Efdal Olcer, with a term of 2 years, Mr. Olcer is paid a consulting fee of US$3,000 per month. On Zodiac completing a financing of C$2.0 million, the consulting fee will increase to US$5,000 per month. Zodiac may terminate the consulting agreement by providing Mr. Olcer with 90 days written notice of termination and Zodiac shall be liable to Mr. Olcer for any consulting fees and expenses owing for the period up to, and including, the date of termination.

- Pursuant to a consulting agreement dated January 1, 2023 between Zodiac and Primero Discovery Inc., a private company controlled by Peter Granata, Primero Discovery is paid an hourly rate of C$100 for services provided by Mr. Granata. The agreement is a month to month and automatically terminates on December 31, 2023. Zodiac or Primero Discovery may terminate the consulting agreement by providing 30 days written notice of termination and Zodiac shall be liable to Primero Discovery for any consulting fees and expenses owing for the period up to, and including, the date of termination.

The directors of Zodiac are reimbursed for expenses incurred in carrying out their duties as directors. In addition, the directors received stock options as disclosed within "Stock Options and Other Compensation Securities".

Oversight and Description of Director and Named Executive Officer Compensation

Compensation of directors and Named Executive Officers of Zodiac is at the discretion of the Zodiac Board. The compensation for directors and Named Executive Officers of Zodiac is as described above.

Management Contracts

Management functions of Zodiac are substantially performed by directors and senior officers of Zodiac and not, to any substantial degree, by any other person with whom Zodiac has a contract.

Termination and Change of Control Benefits

Other than the consulting agreement with David Kol, Zodiac does not have any termination or change of control benefits granted to its officers or directors, other than what is set forth under applicable law.

NON-ARM'S LENGTH PARTY TRANSACTIONS

Other than as disclosed herein, there has been no acquisition of assets or services or provision of assets or service in any transaction within the five years before the date of this Filing Statement, or in any proposed transaction, where Zodiac or any subsidiary of Zodiac has obtained such assets or services from:

(a) any director, officer or promoter of Zodiac;

(b) a securityholder disclosed in this Filing Statement as a principal securityholder, either before or after giving effect to the Transaction; or

(c) an Associate or Affiliate of any of the persons or companies referred to in paragraphs (a) or (b) above.

On November 30, 2021, Zodiac acquired Gem Rocks in consideration of the issuance of 19,331,676 Zodiac Shares, of which Zodiac issued (i) 6,350,697 Zodiac Shares to David Kol, CEO and director (ii) 2,580,064 Zodiac Shares were issued to Mark Kol, director (iii) 300,007 Zodiac Shares were issued to Peter Granata, CFO and (iv) 187,504 Zodiac Shares were issued to Efdal Olcer, Vice President of Exploration at a deemed price of US$0.14 per share (an equivalent of C$0.18 per share).

On December 14, 2021, as consideration for settlement of debt owing by Zodiac, Zodiac issued (i) 166,666 Zodiac Shares to Daniel Leroux, former CEO and director, (ii) 321,428 Zodiac Shares to David Kol, and (iii) 580,000 Zodiac Shares to Peter Granata, at a deemed price of C$0.18/US$0.14 per share.

On May 30, 2023, as consideration for settlement of debt owing by Zodiac, Zodiac issued (i) 1,475,000 Zodiac Shares to David Kol, (ii) 88,888 Zodiac Shares to Mark Kol, and (iii) 96,263 Zodiac Shares to Peter Granata, at a deemed price of C$0.18/US$0.14 per share.

LEGAL PROCEEDINGS

There are no legal proceedings material to Zodiac in which zodiac is a party or which any of their respective properties are the subject matter and, to the knowledge of zodiac, no such proceedings are known to be contemplated as at the date of this Filing Statement.

MATERIAL CONTRACTS

Except for the Arrangement Agreement, Promissory Note and contracts made in the ordinary course of business, there are no material contracts entered into by Zodiac within two years prior to the date hereof which are currently in effect.

Copies of the Arrangement Agreement and Promissory Note are available under ShellCo's SEDAR profile at www.sedarplus.ca and will be available for inspection at the registered office of ShellCo located at Suite 3606 – 833 Seymour Street, Vancouver, British Columbia V6B 0G4, Canada during ordinary business hours from the date hereof until completion of the Transaction and for a period of 30 days thereafter.

AUDITORS

McGovern Hurley LLP, is the auditor of Zodiac. McGovern Hurley LLP was appointed as external auditor of Zodiac effective March 31, 2022, replacing De Visser Gray LLP who resigned as external auditor at the request of Zodiac.

PART IV– INFORMATION CONCERNING THE RESULTING ISSUER

The following information is presented on a post-Transaction basis and is reflective of the projected business, financial, and share capital position of the Resulting Issuer. This section only includes information respecting the Resulting Issuer that is materially different from information provided earlier in this Filing Statement. Following Closing, the Resulting Issuer will carry on the businesses currently carried on by Zodiac. Refer to various headings under "Part II – Information Concerning ShellCo" and "Part III – Information Concerning Zodiac Gold Inc." for additional information regarding ShellCo or Zodiac.

Refer also to the Pro Forma Financial Statements of the Resulting Issuer attached here to as Appendix C.

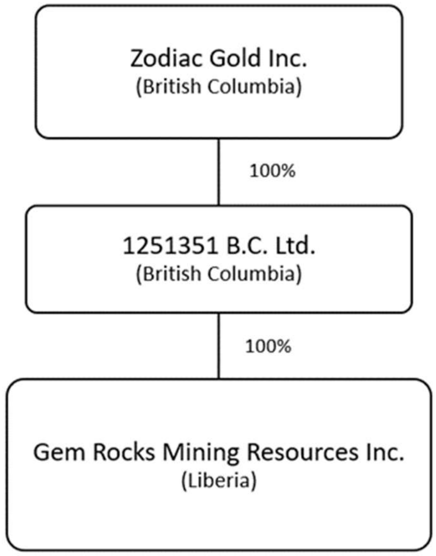
NAME AND INCORPORATION

The Resulting Issuer will continue and will subsist under the BCBCA under the name "Zodiac Gold Inc." or such other name as may be determined by Zodiac, subject to applicable Exchange approval, and Zodiac will change its name to "1251351 B.C. Ltd."

The Resulting Issuer's registered and records office, and its head office will be at Suite 3606 – 833 Seymour Street, Vancouver, British Columbia V6B 0G4, Canada.

INTERCORPORATE RELATIONSHIPS

After giving effect to the Transaction, subject to obtaining TSXV approval and the issuance of the Final Exchange Bulletin, the Resulting Issuer's direct and wholly-owned subsidiary will be Zodiac, which will continue to subsist under the laws of British Columbia. Zodiac's direct subsidiary will be Gem Rocks, which will continue to subsist under the laws of Liberia.



NARRATIVE DESCRIPTION OF THE BUSINESS

Stated Business Objectives

The Resulting Issuer intends to be listed as a Tier 2 Mining Issuer on the Exchange and will carry on the business of Zodiac which is described under the heading "*Part III – Information Concerning Zodiac Gold Inc. – Narrative Description of the Business*".

The cost of completing these objectives is as set forth in *"Part IV – Information Concerning the Resulting Issuer – Available Fund and Principal Purposes"*.

Milestones

To pursue Zodiac's business objectives, the Resulting Issuer will target the milestones and conduct the recommended exploration programs set forth in the Technical Report. Please see "*Part III – Information Concerning Zodiac Gold Inc. – Narrative Description of the Business*" for additional information.

There are no delineated mineral reserves or resources on any of the Resulting Issuer's properties and the proposed exploration program on the Todi Property is exploratory. See "*Risk Factors*".

DESCRIPTION OF THE SECURITIES

The authorized share capital of the Resulting Issuer will be the same as that of ShellCo, consisting of an unlimited number of common shares without par value, and the rights associated with each Resulting Issuer Share will be the same as the rights associated with each ShellCo Share. *See "Part II – Information Concerning ShellCo – Description of Securities"*.

Common Shares

Following Closing, assuming that Zodiac and ShellCo receive aggregate gross proceeds of $1.5 million in the Subsequent Financing Closings, it is anticipated that between 76,179,305 and 77,068,194 Resulting

Issuer Shares will be issued and outstanding as fully paid and non-assessable shares. The final number of outstanding Resulting Issuer Shares will vary based on how much of the Subsequent Financing Closings Proceeds are received by each entity. 76,179,305 Resulting Issuer Shares will be issued and outstanding if $200,000 of the Subsequent Financing Closings Proceeds are received by Zodiac and $1.2 million are received by ShellCo. 77,068,194 Resulting Issuer Shares will be issued and outstanding if all of the Subsequent Financing Closings Proceeds are received by ShellCo.

Resulting Issuer Shareholders will be entitled to: (i) dividends, if, as and when declared by the Resulting Issuer Board; (ii) one vote per Resulting Issuer Share at meetings of Resulting Issuer Shareholders; and (iii) share equally in such assets of the Resulting Issuer as are distributable to Resulting Issuer Shareholders upon liquidation. All Resulting Issuer Shares to be outstanding after Closing will be fully paid and non-assessable and shall not be subject to any pre-emptive rights, conversion or exchange rights, redemption, retraction, purchase for cancellation or surrender provisions, sinking or purchase fund provisions, provisions permitting or restricting the issuance of additional securities or provisions requiring a shareholder to contribute additional capital.

Warrants

At Closing, it is anticipated that there will be between 30,634,248 and 31,267,580 Resulting Issuer Warrants outstanding as a result of the exchange of Zodiac Warrants (including Zodiac Broker Warrants issued in connection with the Zodiac Financing) for Resulting Issuer Warrants and the Resulting Issuer Warrants and the issuance of ShellCo Broker Warrants in connection with the ShellCo Financing. Each such Resulting Issuer Warrant will be exercisable for one Resulting Issuer Share at a price ranging from $0.18 to $0.25 and US$0.185 with expiry dates ranging from March 18, 2024 to two years following Closing.

The final number of outstanding Resulting Issuer Warrants will vary based on how much of the Subsequent Financing Closings Proceeds are received by each entity. 31,267,850 Resulting Issuer Warrants will be issued and outstanding if $200,000 of the Subsequent Financing Closings Proceeds are received by Zodiac and $1.2 million are received by ShellCo. 30,634,248 Resulting Issuer Warrants will be issued and outstanding if all of the Subsequent Financing Closings Proceeds are received by ShellCo.

Options

At Closing, there will be 6,065,000 Resulting Issuer Options outstanding as a result of the exchange of Zodiac Options for Resulting Issuer Options. Each Resulting Issuer Option will be exercisable for one Resulting Issuer Share at an exercise price of $0.18 with expiry dates ranging from April 28, 2025 to July 18, 2033. The Resulting Issuer Options will be issued pursuant to, and governed by, the terms of the Resulting Issuer Incentive Plan.

PRO FORMA CONSOLIDATED CAPITALIZATION

The following table outlines the expected pro forma share capitalization of the Resulting Issuer on Closing, assuming that Zodiac and ShellCo receive aggregate gross proceeds of $1.5 million in the Subsequent Financing Closings.

		Amount Outstanding as of Closing	
Designation of Security	**Amount Authorized**	**Zodiac Receives $200,000 of Subsequent Financings Closings Proceeds**	**Zodiac Receives No Subsequent Financings Closings Proceeds**
Resulting Issuer Shares	unlimited	76,179,305	77,068,194
Resulting Issuer Warrants	N/AF	31,267,580	30,634,248
Resulting Issuer Options	10% of outstanding Resulting Issuer Shares	6,065,000	6,065,000
TOTAL	**-**	**113,511,885**	**113,767,442**

Fully Diluted Share Capital

The following table outlines the expected number and percentage of securities of the Resulting Issuer to be outstanding on a fully diluted basis after giving effect to the Transaction, assuming that Zodiac and ShellCo receive aggregate gross proceeds of $1.5 million in the Subsequent Financing Closings and that $200,000 of the Subsequent Financing Closings Proceeds are received by Zodiac.

	Number of Resulting Issuer Shares	**Percentage of Total**
Resulting Issuer Shares held by current ShellCo Shareholders(1)	19,834,000	17.5%
Resulting Issuer Shares to be issued to Zodiac Shareholders(2)	56,345,305	49.6%
Resulting Issuer Warrants	31,267,580	27.6%
Resulting Issuer Options	6,065,000	5.3%
Fully Diluted	**113,511,885**	**100%**

Notes:
(1) Inclusive of ShellCo Shares issued pursuant to the ShellCo Financing.
(2) Inclusive of Zodiac Shares issued pursuant to the Zodiac Financing.

The following table outlines the expected number and percentage of securities of the Resulting Issuer to be outstanding on a fully diluted basis after giving effect to the Transaction, assuming that Zodiac and ShellCo receive aggregate gross proceeds of $1.5 million in the Subsequent Financing Closings and that none of the Subsequent Financing Closings Proceeds are received by Zodiac.

	Number of Resulting Issuer Shares	Percentage of Total
Resulting Issuer Shares held by current ShellCo Shareholders(1)	21,834,000	19.1%
Resulting Issuer Shares to be issued to Zodiac Shareholders(2)	55,234,194	48.6%
Resulting Issuer Warrants	30,634,248	26.9%
Resulting Issuer Options	6,065,000	5.3%
Fully Diluted	**113,767,442**	**100%**

Notes:
(1) Inclusive of ShellCo Shares issued pursuant to the ShellCo Financing.
(2) Inclusive of Zodiac Shares issued pursuant to the Zodiac Financing.

Other than as disclosed above, no other securities will be outstanding which are convertible into, or exchangeable for, Resulting Issuer Shares following Closing.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

The Resulting Issuer is expected to have approximately $1,623,589 in working capital available on Closing. The Resulting Issuer is expected to use the funds available to it in furtherance of its stated business objectives which are summarized in the following table.

	Estimated Amount
Sources of Funds:	
Estimated working capital as at October 31, 2023(1)	$1,623,589
Total Sources	**$1,623,589**
Principal Purposes of Funds:	
Costs related to the Transaction(2)	$416,000
General and administrative expenses for the first 12 months(3)	$309,600
Todi Project Work Program for first 12 months	$708,895
Unallocated working capital to fund ongoing operations	$189,094
Total Principal Purposes	**$1,623,589**

Notes:
(1) Based on working capital of ShellCo and Zodiac as at October 31, 2023, of $1,844,014 and $(220,425) respectively, inclusive of balance of gross proceeds from Zodiac Financing and ShellCo Financing that is estimated on hand as of October 31, 2023.
(2) Consisting of legal fees, filing fees, accounting fees and other professional advisory fees related to the Transaction.
(3) Comprised of: $101,400 (salaries and consulting fees); $104,300 (professional fees); $36,200 (G&A); $9,900 (filing and transfer agent fees); and $57,800 (miscellaneous payables).

Based on current projections, the Resulting Issuer's working capital available for funding ongoing operations is expected to meet its expenses and the work program for the Todi Project for a minimum period of 12 months commencing immediately following Closing.

Notwithstanding the proposed uses of available funds discussed above, there may be circumstances where, for business reasons or unforeseen events, a reallocation of funds may be necessary. It is difficult, at this time, to definitively project the total funds necessary to affect the planned activities of the Resulting Issuer. For these reasons, management of ShellCo considers it to be in the best interests of the Resulting Issuer and its shareholders to afford management a reasonable degree of flexibility as to how the funds are employed among the uses identified above, or for other purposes, as the need arises. Further, the above uses of available funds should be considered estimates. See *"Forward-Looking Information"*.

Dividends

There will be no restrictions in the Resulting Issuer's articles or elsewhere which would prevent the Resulting Issuer from paying dividends subsequent to Closing. It is not contemplated that any dividends will be paid on the Resulting Issuer Shares in the immediate future following Closing, as it is anticipated that all available funds will be invested to finance the growth of the Resulting Issuer's business. The Resulting Issuer Board will determine if, and when, dividends will be declared and paid in the future from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time. All of the Resulting Issuer Shares are entitled to an equal share in any dividends declared and paid. See "*Forward-Looking Information*".

PRINCIPAL SECURITYHOLDERS

Other than as set out below, it is not anticipated that any Person will own of record or beneficially, directly or indirectly, or exercise control or direction over, more than 10% of the Resulting Issuer Shares following Closing.

Name of Shareholder	Number of Shares Held	Percentage
David Kol	8,504,125	11.0%(1)

Note:
(1) Based on 77,068,194 Resulting Issuer Shares outstanding.

DIRECTORS, OFFICERS, AND PROMOTERS OF THE RESULTING ISSUER

At Closing, the directors and officers of the Resulting Issuer are expected to be the individuals set out below.

Name and Municipality of Residence	Position or Office to be held with the Resulting Issuer	Principal Occupation(s) During Past 5 Years	Director of ShellCo or Zodiac since(1)	Number and Percentage of Resulting Issuer Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly(3)
David Kol Nevada, USA	Director, President, Chief Executive Officer	Director, President and CEO of Zodiac since 2020; and director and President of Gem Rocks since 2011	Zodiac, since 2020	8,504,125 11.0%

Name and Municipality of Residence	Position or Office to be held with the Resulting Issuer	Principal Occupation(s) During Past 5 Years	Director of ShellCo or Zodiac since[(1)]	Number and Percentage of Resulting Issuer Shares Beneficially Owned, or Controlled or Directed, Directly or Indirectly[(3)]
Efdal Olcer Ankara, Turkey	Vice President of Exploration	Vice President of Exploration of Zodiac since February 2023, Vice President Exploration of Metalite Resources from January 2023 to July 2023, Chief Geologist of Summa Gold from August 2020 to January 2023	N/A	187,504 0.3%
Peter Granata White Rock, BC Canada	Chief Financial Officer	Accounting and Management Consultant	N/A	976,270 1.3%
Douglas Cater[(2)] Niagara-on-the Lake, ON, Canada	Director	Professional Geologist; director of Sierra Metals Inc. since June 2009; director of Mayfair Gold Corp. since May 2021; director of Exploits Discovery Corp. since July 2022; director of Gowest Gold Ltd. since March 2023; Vice President Exploration (Canada) of Kirkland Lake Gold Ltd. from February 2016 to January 2019.	Zodiac, since 2022	Nil N/A
Graham Warren[(2)] Toronto, ON Canada	Director	Chartered Professional Accountant; CFO of Platinex Inc. from 2019 to present; CFO of Pangolin Diamonds Corp Inc. from 2011 to present; CFO and director of Goliath Resources Limited from 2017 to present.	Zodiac, since 2022	Nil N/A
Mark Kol[(2)] California, USA	Director	Executive Vice President with CBRE	Zodiac, since 2020	3,226,508 4.2%
Sherry Siu Vancouver, BC Canada	Corporate Secretary	Independent contractor	N/A	Nil N/A

Notes:

(1) The term of office of each director of the Resulting Issuer will expire at the next annual general meeting of the Resulting Issuer Shareholders.

(2) Proposed member of the Resulting Issuer's audit committee.

(3) Percentages shown are based on 77,068,194 Resulting Issuer Shares issued and outstanding following the Closing, based on ShellCo raising $1,500,000 and Zodiac raising $0 in the Subsequent Financing Closings. If ShellCo raises $1,300,000 and Zodiac raises $200,000 in the Subsequent Financing Closings, there will be an aggregate of 76,179,305 Resulting Issuer Shares outstanding. In that scenario, all ownership percentages noted in the table would remain the same except that David Kol would own 11.2% of the outstanding Resulting Issuer Shares.

The executive officers and directors of the Resulting Issuer are expected to own, directly or indirectly, or exercise control or direction over 12,894,407 Resulting Issuer Shares, representing approximately 16.7% of the Resulting Issuer Shares based on 77,068,194 Resulting Issuer Shares issued and outstanding following the Closing (or 16.9% based on 76,179,305 Resulting Issuer Shares issued and outstanding following the Closing).

Management

Upon Closing, the Resulting Issuer Board is expected to be reconstituted to consist of David Kol, Douglas Cater, Graham Warren and Mark Kol. The management of the Resulting Issuer is expected to consist of David Kol as President and Chief-Executive Officer, Efdal Olcer as Vice President of Exploration, Peter Granata as Chief Financial Officer, and Sherry Siu as Corporate Secretary, and such other persons as may be appointed by the Resulting Issuer Board or management.

In addition to the information set out in the table above, following is some information about the proposed members of the Resulting Issuer Board and management:

David Kol *(age 47) – Director, President and Chief Executive Officer*

David Kol is a highly experienced international business and startup executive with over 20 years of experience in finance, marketing, business development, M&A, and executive management, primarily in the resource sector, media/entertainment, real estate and technology industries. Prior to Zodiac, David held senior management roles in Gem Rocks Mining Resources, Global Media Group Holdings, The Players Network, and Interactive Enterprises where he worked on projects for Sony, Wink Communications, Netcom, US West (now Qwest Communications), BskyB, and JskyB. David currently serves on the Board of Directors of BluEarth Carbon Development, and Global Wholesome Network 501(c)(3). David attended the University of California, Davis, where he studied managerial economics, and has an A.A. (Criminal Justice) from Diablo Valley College.

Efdal Olcer *(age 41) – Vice President of Exploration*

Efdal Olcer is a highly accomplished and qualified Exploration Geologist with 17 years of experience. Efdal has unique technical skills and experience gained in various mineral categories and diverse geological environments, including Greenstone, Archean, Proterozoic and Tethyan in Africa, the Middle East, and Turkey. He possesses a demonstrable track record in mineral exploration, specifically gold exploration in diverse deposit types including; epithermal, porphyry, orogenic, and within different terrains. He has also gained extensive greenfield and brownfield exploration and project development experience with the majority resulting in discoveries and several converting into profitable gold mines. Before joining Zodiac, Efdal served as Chief Geologist for Summa Gold and Exploration Manager of MNG Gold, a subsidiary of Avesoro Holdings. Efdal also held senior geological positions for KEFI Minerals, Asia Minor Mining Inc., and Stratex Exploration PLC. Efdal holds a B.Sc. Degree in Geological Engineering from Middle East Technical University. He is a member of the Society of Economic Geologists, Geological Society of London, Australian Institute of Geoscientists, Society of Geology Applied to Mineral Deposits, and Turkish Association of Economics Geologists.

Peter Granata *(age 54) – Chief Financial Officer*

Peter Granata has more than 18 years of experience in finance and operations management within global organizations. He is a dynamic, results-oriented professional with executive positions in TSXV companies and, prior to these, served as an Audit Manager for PricewaterhouseCoopers. Peter has prepared financial statements, MD&A, news releases, mine permitting applications and project cash flows. With PricewaterhouseCoopers he performed audits for Canadian IFRS, US GAAP reconciliations, Special Purpose Financial Statements and has executed Group reporting under Canadian GAAP. His experience includes CFO for TSXV entities, capital raising, international corporate structures, client engagement, C-suite & directors engagement, M&A, financing, investor relations, related party transactions, and finance transformation. Peter has a B. Bus and is a Chartered Accountant.

Douglas Cater*, P.Geo FGC, ICD.D (age 66) – Director*

Doug Cater is a professional geologist who has worked extensively across Canada and internationally for more than 35 years, with a particular focus on the Abitibi gold belt located in NE Ontario. He has held positions with both senior and intermediate gold producers, including Barrick Gold Corp., Placer Dome Inc. and Kinross Gold Corp. His African exploration experience was obtained while serving as an Exploration Consultant for Barrick Gold Corp. in Tanzania, where he was responsible for the project management of an exploration diamond drill program in the Lake Victoria greenstone belt. His most recent executive position was as Vice President, Exploration (Canada) with Kirkland Lake Gold Ltd. Mr. Cater is also a director of Sierra Metals Inc., Mayfair Gold Corp., Exploits Discovery Corp. and Gowest Gold Ltd. He is a graduate of the ICD-Rotman Directors Education Program.

Graham Warren*, CPA, CMA (age 62) – Director*

Graham Warren is a senior financial executive with over 30 years of experience with emerging and established companies primarily in the mining and oil and gas sectors. Mr. Warren has considerable operations, corporate finance, board and public markets expertise. He has extensive global experience, including in Africa where he has worked in both Nigeria and Botswana for a combined 15 years. Mr. Warren has his B-Comm and is a Chartered Professional Accountant. He currently provides CFO and corporate secretarial services to three publicly traded companies and serves on the board of directors of one TSXV-listed company.

Mark Kol *(age 53) –Director*

Mark Kol is a co-founder of Zodiac and has 30+ years of experience in investor relations, venture capital, finance, investment banking, and real estate. Mark has leveraged his expertise across various industries, which include real estate, exploration/mining, technology, biotech, and media/entertainment. Mark is passionate about working with and raising capital for start-ups across the globe. Mark is currently Executive Vice President with CBRE. Before CBRE, Mark worked in investment banking in San Francisco, raising capital and preparing companies for Initial Public Offerings.

Sherry Siu *(age 56) – Corporate Secretary*

Sherry has over 30 years of experience working as a paralegal for a boutique law firm in Vancouver, specializing in securities, commercial and corporate matters, and has been corporate secretary of various junior resource companies since 2011. She has worked on a variety of securities-related and corporate transactions, including M&A, spinouts and business combinations, reorganizations, and going public filings. Sherry is a paralegal certified with the BC Paralegal Association.

PROMOTER CONSIDERATION

David Kol and Mark Kol may be considered to be promoters of Zodiac or the Resulting Issuer because they took the initiative in founding and organizing Zodiac. Upon completion of the Transaction, David Kol will own 8,504,125 Resulting Issuer Shares (11.0% of the issued and outstanding Resulting Issuer Shares assuming 77,068,194 Resulting Issuer Shares issued and outstanding upon completion of the Transaction, or 11.2% of the issued and outstanding Resulting Issuer Shares assuming 76,179,305 Resulting Issuer Shares are issued and outstanding upon completion of the Transaction) and 1,125,000 Resulting Issuer Options and Mark Kol will own 3,226,508 Resulting Issuer Shares (4.2% of the issued and outstanding Resulting Issuer Shares, whether 76,179,305 or 77,068,194 Resulting Issuer Shares are issued and outstanding upon completion of the Transaction), 1,125,000 Resulting Issuer Options and 655,555 Resulting Issuer Warrants.

CORPORATE CEASE TRADE ORDERS OR BANKRUPTCIES

Except as disclosed below, no proposed director, officer, or promoter of the Resulting Issuer or securityholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer is or has, within the past 10 years, been a director, officer, or promoter of any Person or issuer that, while such Person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied that Person or issuer access to any exemptions under applicable securities legislation for a period of more than 30 consecutive days or became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement, or compromise with creditors or had a receiver, receiver-manager, or trustee appointed to hold the assets of that Person.

Graham C. Warren was CFO of Arehada Mining Limited ("**Arehada**"), which was unable to file audited financial statements for the year ended December 31, 2010, the accompanying management's discussion and analysis, related CEO and CFO certifications and annual information form (collectively, the "**2010 Annual Filings**") by the prescribed deadline due to funding constraints. As a result, the Ontario Securities Commission ("**OSC**") issued a temporary cease trade order against Arehada on April 6, 2011. The OSC, the British Columbia Securities Commission and the Alberta Securities Commission issued permanent cease trade orders against Arehada on April 18, 2011, April 8, 2011 and July 21, 2011, respectively, which cease trade orders against Arehada still remain in effect as of the date hereof (the "**Arehada Cease Trade Orders**").

Due to the delay in filing the 2010 Annual Filings, Arehada was also unable to file the unaudited interim financial statements for the periods ended March 31, 2011, June 30, 2011 and September 30, 2011, the accompanying management's discussion and analysis and related CEO and CFO certifications (collectively, the "**2011 Interim Filings**") by the prescribed deadlines. Arehada subsequently filed the 2010 Annual Filings and 2011 Interim Filings but abandoned an application to revoke the Arehada Cease Trade Orders. In addition, Arehada failed to file the audited financial statements for the years ended December 31, 2011 and 2012, the accompanying management's discussion and analysis, and related CEO and CFO certifications by the prescribed deadlines, and Arehada has failed to file any interim financial statements, accompanying management's discussion and analysis and related CEO and CFO certifications for any interim period since September 30, 2011. As a result, the Arehada Cease Trade Orders are still in effect and there is no expectation that the Arehada Cease Trade Orders will be revoked.

At the April 29, 2015 Annual General Meeting, Arehada shareholders passed a resolution approving the liquidation of Arehada. On November 1, 2022, Mr. Warren was appointed CEO and Secretary of Arehada in order to file an application with the Superior Court of Ontario to liquidate and dissolve the company. On

February 10, 2023, the Honourable Justice Steele granted an order establishing a claims solicitation and claims bar procedure. The liquidation process is presently ongoing. Mr. Warren resigned as an officer of Arehada on February 10, 2023.

Douglas Cater was an independent director of Harte Gold Corp. ("**Harte Gold**"), which was granted protection from its creditors under the *Companies' Creditors Arrangement Act* ("**CCAA**") on December 7, 2021. Harte Gold sought protection under the CCAA following various efforts to restructure or refinance its debt obligations to address its liquidity challenges. The CCAA proceedings with respect to Harte Gold were terminated on February 15, 2022 following the sale of the issued and outstanding shares of the company to 1000025833 Ontario Inc. Mr. Cater resigned as a director of Harte Gold in connection with the sale.

PENALTIES AND SANCTIONS

No proposed director, officer, or promoter of the Resulting Issuer or shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer or a personal holding corporation of such Persons is or has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by any securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions proposed by a court or regulatory body, including a self-regulatory body, that would be likely to be considered important to a reasonable securityholder making a decision about the Transaction.

PERSONAL BANKRUPTCIES

No proposed director, officer, or promoter of the Resulting Issuer or shareholder anticipated to hold a sufficient number of securities of the Resulting Issuer to affect materially the control of the Resulting Issuer, or a personal holding corporation of such Persons is or has, within the past 10 years, become bankrupt, made a proposal under bankruptcy or insolvency legislation, or been subject to or instituted any proceedings, arrangement, or compromise with creditors, or had a receiver, receiver manager, or trustee appointed to hold their assets.

CONFLICTS OF INTEREST

Some of the individuals proposed for appointment as directors or officers of the Resulting Issuer upon Closing are also directors, officers, and/or promoters of other reporting and non-reporting issuers. As of the date of this Filing Statement and to the knowledge of the directors and officers of ShellCo and Zodiac, there are no existing conflicts of interest between the Resulting Issuer and any of the individuals proposed for appointment as directors or officers following Closing.

OTHER REPORTING ISSUER EXPERIENCE

The following table sets out the proposed directors, officers, and promoters of the Resulting Issuer that are, or have been within the last five years, directors, officers, or promoters of other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position(s) Held	Term
David Kol	Metalite Resources Inc.	CSE	Director	February 2023 to July 2023

Name	Name and Jurisdiction of Reporting Issuer	Name of Trading Market	Position(s) Held	Term
Douglas Cater	Mayfair Gold Corp.	TSXV	Director	May 2021 to present
	Exploits Discovery Corp.	CSE	Director	July 2022 to present
	Gowest Gold Ltd.	TSXV	Director	March 2023 to present
	Sierra Metals Inc.	TSX	Director	June 2009 to present
	Cautivo Mining Inc.	CSE	Director	August 2017 to January 2020
	Harte Gold Corp.	TSX	Director	September 2020 to February 2022
Graham Warren	Goliath Resources Limited	TSXV	Director, Chief Financial Officer and Secretary	October 2017 to present
	Pangolin Diamonds Corp.	TSXV	Chief Financial Officer	March 2011 to present
	Platinex Inc.	CSE	Chief Financial Officer and Secretary	April 2019 to present
	Platinex Inc.	CSE	Director	April 2019 to February 2022
	Arehada Mining Limited	Unlisted	Chief Financial Officer	May 2007 to February 2023
	Arehada Mining Limited	Unlisted	Chief Executive Officer and Secretary	November 2022 to February 2023
Efdal Olcer	Metalite Resources Inc.	CSE	Vice President Exploration	January 2023 to July 2023
Peter Granata	East Africa Metals Inc.	TSXV	Chief Financial Officer	April 2013 to May 2019
Sherry Siu	East Africa Metals Inc.	TSXV	Corporate Secretary	January 2013 to December 2018; from May 2019 to present

PROPOSED EXECUTIVE COMPENSATION

Named Executive Officer compensation

The following table sets forth the anticipated compensation for all Named Executive Officers of the Resulting Issuer, other than stock options and other compensation securities, following the Transaction.

Name and Position	Year	Salary, consulting fee, retainer, or commission (US$)	Bonus (US$)	Committee or meeting fees (US$)	Value of perquisites (US$)	Value of all other compensation (US$)	Total Compensation (US$)
David Kol Director, Chief Executive Officer, President	2023-2024	US$90,000	Nil	Nil	Nil	Nil	US$90,000
Efdal Olcer, Vice President of Exploration	2023-2024	US$60,000	Nil	Nil	Nil	Nil	US$60,000
Peter Granata, Chief Financial Officer	2023-2024	hourly[(1)]	Nil	Nil	Nil	Nil	hourly[(1)]

(1) Mr. Granata is paid on an hourly rate of C$100 per hour.

The expected compensation described in the foregoing table is being provided for illustrative purposes only, and has been presented on the basis of the current compensation levels of each such Name Executive Officer with Zodiac and assuming a 100% satisfaction of annual and long-term incentive plan milestones. The compensation arrangements for the Resulting Issuer's Name Executive Officers will be determined following the completion of the Transaction, in the discretion of the Resulting Issuer Board, once the Resulting Issuer Board has been constituted.

Director Compensation

Upon completion of the Transaction, the Resulting Issuer Board will determine, and to what extent, the compensation will be paid to directors for services rendered to the Resulting Issuer in their capacity as directors. Incentives may be in the form of annual director fees and / or incentives awards under the Resulting Issuer Incentive Plan.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No individual who is a director or officer of ShellCo or Zodiac, or is proposed to be a director or officer of the Resulting Issuer, or is an Associate of any of the foregoing, is either: (i) indebted to ShellCo, or Zodiac, or will be owed to the Resulting Issuer or any subsidiary of the Resulting Issuer; or (ii) indebted to another entity with such indebtedness being the subject of a guarantee, support agreement, letter of credit, or other similar arrangement or understanding provided by ShellCo or Zodiac.

INVESTOR RELATIONS ARRANGEMENTS

Following the Closing, the Resulting Issuer expects to conduct investor relations internally.

Options to Purchase Securities

Upon Closing, the outstanding Resulting Issuer Options will be held under the Resulting Issuer Incentive Plan by:

Category of Optionee	Number of Resulting Issuer Options	Exercise Price ($/share)	Market Value of Securities Under Option on Date of Grant	Expiry Date
Officers	1,775,000	$0.18	N/A	April 1, 2032 to July 18, 2033
Directors (who are not also Officers)	2,825,000	$0.18	N/A	April 1, 2032 to July 18, 2033
Consultants	1,205,000	$0.18	N/A	April 28, 2025 to April 4, 2033
Employees	260,000	$0.18	N/A	July 18, 2028 to April 1, 2032

Incentive Plan

The Resulting Issuer will maintain the ShellCo Incentive Plan following Closing in accordance with its existing terms and conditions. See "*Part II – Information Concerning ShellCo – Description of the Securities – Stock Option Plan.*"

ESCROWED SECURITIES

TSXV Policy requires that all Resulting Issuer Shares and Resulting Issuer Warrants held by Principals of the Resulting Issuer on completion of the Transaction are to be subject to escrow restrictions. The Principals of the Resulting Issuer as a group will beneficially own, directly or indirectly, or exercise control or direction over, an aggregate of 13,704,427 Resulting Issuer Shares, 655,555 Resulting Issuer Warrants, and 4,600,000 Resulting Issuer Options. All of the Resulting Issuer Shares and Resulting Issuer Warrants held by the Principals will be held in escrow pursuant to the terms of the Resulting Issuer Escrow Agreement.

Name and Municipality of Residence of Securityholder	Designation of Class	Prior to giving effect to the Transaction		After giving effect to the Transaction(1)	
		Number of Securities to be held in Escrow	Percentage of Class	Number of Securities to be held in Escrow	Percentage of Class
David Kol Las Vegas, Nevada	Resulting Issuer Shares	---	---	9,314,145(2)(3)	12.3%
Mark Kol Danville, California	Resulting Issuer Shares	---	---	3,226,508(2)	4.2%
	Resulting Issuer Warrants	---	---	655,555(2)	N/A
Efdal Olcer Ankara, Turkey	Resulting Issuer Shares	---	---	187,504(2)	0.2%

Name and Municipality of Residence of Securityholder	Designation of Class	Prior to giving effect to the Transaction		After giving effect to the Transaction[1]	
		Number of Securities to be held in Escrow	Percentage of Class	Number of Securities to be held in Escrow	Percentage of Class
Peter Granata White Rocks, British Columbia	Resulting Issuer Shares	---	---	976,270[2]	1.3%

Notes:

(1) Percentages shown are based on 77,068,194 Resulting Issuer Shares issued and outstanding following the Closing, based on ShellCo raising $1,500,000 and Zodiac raising $0 in the Subsequent Financing Closings. If ShellCo raises $1,300,000 and Zodiac raises $200,000 in the Subsequent Financing Closings, there will be an aggregate of 76,179,305 Resulting Issuer Shares outstanding. In that scenario, all ownership percentages noted in the table would remain the same except that David Kol would own 11.2% of the outstanding Resulting Issuer Shares.

(2) Subject to the Resulting Issuer Escrow Agreement.

(3) Includes 810,020 Resulting Issuer Shares held by Mr. Kol's spouse.

Assuming the Resulting Issuer Shares are listed on the TSXV as a Tier 2 Issuer, the schedule of release of the Resulting Issuer Shares that are subject to the Resulting Issuer Escrow Agreement is as follows:

Release Dates	Percentage of Total Resulting Issuer Escrow Shares
at the time of the Final Exchange Bulletin	10%
6 months after the Final Exchange Bulletin	15%
12 months after the Final Exchange Bulletin	15%
18 months after the Final Exchange Bulletin	15%
24 months after the Final Exchange Bulletin	15%
30 months after the Final Exchange Bulletin	15%
36 months after the Final Exchange Bulletin	15%

In addition to the Resulting Issuer Shares held by the Principals outlined above, under TSXV Policy 5.4, the following Resulting Issuer Shares will be deemed to be "Seed Shares" and subject to resale restrictions:

- all of the Resulting Issuer Shares that are issued pursuant to the second closing of the ShellCo Financing;
- 1,403,732 Resulting Issuer Shares held by six non-Principals, representing Resulting Issuer Shares that were issued upon the original distribution of the ShellCo Shares pursuant to the spinout of ShellCo to the shareholders of Veta that was completed on February 18, 2022 (the "**Spinout Shares**"); and
- 1,971,702 Resulting Issuer Shares that will be issued in exchange for Zodiac Shares that were originally issued for nominal consideration (the "**Nominal Consideration Shares**").

The Resulting Issuer Shares issued pursuant to the second closing of the ShellCo Financing and the Spinout Shares will be escrowed for four months from Closing, with 20% released at Closing and an additional 20% released each month thereafter.

The Nominal Consideration Shares will be subject to the same release schedule as the Resulting Issuer Shares held by Principals, as noted above.

In addition, 1,200,000 Resulting Issuer Shares that are expected to be issued prior to Closing in connection with a proposed settlement of Zodiac's obligations to a former financial advisor will be subject to a four month hold period under applicable Canadian securities laws. It is also expected that these shares will be subject to a contractual lockup arrangement pursuant to which the holder of the shares will not be entitled to transfer the shares without the prior approval of the Resulting Issuer's board of directors until the lockup has expired. The lockup is expected to expire with respect to 1/6 of the total number of shares on each of Closing, February 1, 2024, May 1, 2024, August 1, 2024, November 1, 2024 and February 1, 2025.

Transfer of Resulting Issuer Escrow Shares

Where shares subject to escrow are to be held by a company or trust, such company or trust will be required to agree not to carry out, while its shares are in escrow, any transaction that would result in the change of control of the Resulting Issuer. Any such company will be required to further undertake to the TSXV that, to the extent reasonably possible, it will not permit or authorize any issuance or transfer of securities which could reasonably result in a change of control of the Resulting Issuer.

AUDITORS

The auditors of the Resulting Issuer will be McGovern Hurley LLP, of 251 Consumers Road, Suite 800, Toronto, Ontario, M2J 4R3 Canada.

TRANSFER AGENT AND REGISTRAR

It is expected that Endeavor Trust Corporation, which is currently ShellCo's registrar and transfer agent, will serve as the Resulting Issuer's registrar and transfer agent. The register on which transfers of the Resulting Issuer Shares may be recorded is expected to be located in Vancouver, British Columbia, Canada.

PART V – GENERAL MATTERS SPONSOR AND AGENT RELATIONSHIP

SPONSORS AND RELATIONSHIPS

ShellCo has applied to the TSXV for an exemption from the sponsorship requirements in connection with its application to list the Resulting Issuer Shares on the TSXV. While Zodiac and ShellCo believe the Resulting Issuer qualifies for an exemption, there can be no assurance that the exemption will be granted by the TSXV.

OPINIONS

The following opinions or reports have been described or included in this Filing Statement:

1. Jones & O'Connell LLP has prepared the auditor's report for ShellCo's financial statements for the period from October 20, 2021 (date of incorporation) to December 31, 2021 and for the year ended December 31, 2022.

2. McGovern Hurley LLP has prepared the auditor's report for Zodiac's consolidated financial statements for the year ended March 31, 2023.

Each of Jones & O'Connell LLP and McGovern Hurley LLP are independent in accordance with the Rules of Professional Conduct of the Institute of Chartered Accountants.

EXPERTS

The following is a list of persons or companies whose profession or business gives authority to a statement made by a person or company named in this Filing Statement as having prepared or certified a part of that document or report described in the Filing Statement:

(a) Jones & O'Connell LLP, Chartered Professional Accountants, are ShellCo's auditors and have issued an opinion with respect to ShellCo's audited financial statements for the period from incorporation on October 20, 2021 to December 31, 2021 and for the year ended December 31, 2022. Jones & O'Connell LLP has advised that they are independent with respect to ShellCo in accordance with the Rules of Professional Conduct of the Institute of the Code of Professional Conduct of the Chartered Professional Accounts of Ontario.

(b) McGovern Hurley LLP, Chartered Professional Accountants, are Zodiac's auditors and have issued an opinion with respect to Zodiac's audited financial statements for the year ended March 31, 2023. McGovern Hurley LLP has advised that they are independent with respect to Zodiac in accordance with the Rules of Professional Conduct of the Institute of the Code of Professional Conduct of the Chartered Professional Accounts of Ontario.

(c) Tom Dowrick BSc, CGeol., is the qualified person and author of the Technical Report. Mr. Dowrick advises that he is independent of each of ShellCo and Zodiac, and that he holds no interest in Zodiac's properties.

To the knowledge of ShellCo and Zodiac, none of the experts above or their respective Associates or Affiliates, beneficially owns, directly or indirectly, any securities of ShellCo or Zodiac, has received or will receive any direct or indirect interests in the property of ShellCo or Zodiac or is expected to be elected, appointed or employed as a director, officer or employee of ShellCo or any Associate or Affiliate thereof.

OTHER MATERIAL FACTS

There are no other material facts about ShellCo, Zodiac, the Resulting Issuer or the Transaction that are not disclosed elsewhere in this Filing Statement.

APPROVAL OF THE BOARD OF DIRECTORS

The contents of this Filing Statement have been approved by the ShellCo Board. Where information contained in this Filing Statement rests particularly within the knowledge of a person other than ShellCo or Zodiac, ShellCo or Zodiac, respectively, has relied upon information furnished by such person.

APPENDIX A
FINANCIAL STATEMENTS OF SHELLCO

See attached.

1329306 B.C. Ltd.

Financial Statements

For the year ended December 31, 2022 and period from October 20, 2021 (date of incorporation) to December 31, 2021

(Expressed in Canadian Dollars)

Jones & O'Connell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

43 Church Street, Suite 500 + P.O. Box 1237 + St. Catharines, ON + L2R 7A7
phone 905.688.4842 fax 905.688.1746
www.jonesoconnell.ca

Independent Auditor's Report

To the Shareholders of 1329306 B.C. Ltd.

Opinion

We have audited the financial statements of **1329306 B.C. Ltd.** ("the Company"), which comprise the statements of financial position as at December 31, 2022 and December 31, 2021 and the statements of loss and comprehensive loss, statements of changes in equity (deficiency) and statements of cash flow for the year ended December 31, 2022 and for the period from October 20, 2021 (date of incorporation) to December 31, 2021, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **1329306 B.C. Ltd.** as at December 31, 2022 and December 31, 2021 and its financial performance and its cash flows for the year ended December 31, 2022 and for the period from October 20, 2021 (date of incorporation) to December 31, 2021, in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the company has accumulated losses of $64,417 since its incorporation and is dependent upon obtaining necessary financing to meet its ongoing operational levels of corporate overhead. As stated in Note 1, these factors, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

To the Shareholders of 1329306 B.C. Ltd. (Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As a part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identity and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as a fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Wayne O'Connell.

Jones & O'Connell LLP

Jones & O'Connell LLP
Chartered Professional Accountants
Licensed Public Accountants
St. Catharines, Ontario
April 23, 2023

Jones & O'Connell LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

1329306 B.C. Ltd.

Statements of Financial Position

(Expressed in Canadian Dollars)

		December 31, 2022		December 31, 2021
Assets				
Current Assets				
Cash	$	1	$	1
Accounts receivable (*Note 6)*		1,477		-
Total assets	$	1,478	$	1
Liabilities				
Current Liabilities				
Trade and other payables *(Note 7)*	$	65,894	$	817
Total liabilities		65,894		817
Shareholder's deficiency				
Share capital *(Note 8)*		1		1
Deficit		(64,417)		(817)
Total shareholder's deficiency		(64,416)		(816)
Total liabilities and shareholder's deficiency	$	1,478	$	1

Nature of Operations and Going Concern (Note 1)

Approved on behalf of the Board of Directors on April 18, 2023

"Riccardo Forno" (signed)
Director

"Daniel Nauth" (signed)
Director

1329306 B.C. Ltd.

Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Year ended December 31, 2022	For period from October 20, 2021 (date of incorporation) to December 31, 2021
Expenses		
Consulting fees (*Note 10*)	**$ 40,000**	$ -
Professional fees	**18,142**	817
Shareholder information	**5,458**	-
Net loss and comprehensive loss	**$ (63,600)**	$ (817)
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)
Weighted average number of shares outstanding:		
Basic and diluted	**22,590,750**	22,590,750

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

1329306 B.C. Ltd.

Statements of Changes in Equity (Deficiency)

(Expressed in Canadian Dollars)

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	Share Capital					
	Shares		**Amount**		**Deficit**		**Total Shareholder's Deficiency**
Issued at incorporation on October 20, 2021 (Note 8)	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	-		-		(63,600)		(63,600)
Balance, December 31, 2022	**22,590,750**	**$**	**1**	**$**	**(64,417)**	**$**	**(64,416)**

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

1329306 B.C. Ltd.

Statements of Cash Flow

(Expressed in Canadian Dollars)

	December 31, 2022	For period from October 20, 2021 (date of incorporation) to December 31, 2021
Operating activities		
Net loss for the year	**$ (63,600)**	$ (817)
Change in non-cash operating working capital:		
Accounts receivable	**(1,477)**	-
Trade and other payables	**65,077**	817
Cash flows used in operating activities	**-**	-
Financing activities		
Proceeds form share issuance, net of	**-**	1
Cash flows from investing activities	**-**	1
Net change in cash	**-**	1
Cash, beginning of year	**1**	-
Cash, end of year	**$ 1**	$ 1

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 8).

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 December 31, 2022, the Company had accumulated losses of $64,417 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

The Company's Financial Statements have been prepared in accordance with and using accounting policies in full compliance with the IFRS and International Accounting Standards ("IAS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These financial statements were authorized by the Board of Directors of the Company on April 18, 2023.

2.2 Basis of presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. BASIS OF PREPARATION (continued)

2.3 Use of management estimates, judgments and measurement uncertainty

The preparation of these financial statements using accounting policies in accordance with IFRS requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Calculation of share-based payments and warrants

The Black-Scholes option pricing model is used to determine the fair value for the share-based payments and warrants and utilizes subjective assumptions such as expected price volatility and expected life of the option or warrant. Discrepancies in these input assumptions can significantly affect the fair value estimate.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Taxation

Income tax expense represents the sum of tax currently payable and deferred income 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 enacted or substantively enacted by the date of the statement of financial position.

Deferred income tax

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

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

- where the deferred income 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 profit or loss; and

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.1 Taxation (continued)

• 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 income tax assets are recognized for all deductible temporary differences, 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 income 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 profit or loss; and

• in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income 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 income tax assets is reviewed at each statement of financial position date 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 income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each statement of financial position date 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 income 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 statement of financial position date.

Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of loss and comprehensive loss.

Deferred income tax assets and deferred income 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 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.

3.2 Loss per share

The basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. The diluted loss 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 year, if dilutive. Diluted loss per share assumes that the proceeds upon the exercise of the options and warrants are used to purchase common shares at the average market price during the year.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Financial assets

All financial assets are initially recorded at fair value and designated upon inception into one of the following categories: fair value through profit or loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") or amortized cost.

Financial assets classified as FVTPL are measured at fair value with realized and unrealized gains and losses recognized through net loss. The Company did not have any assets classified as FVTPL.

Financial assets classified as amortized cost are initially measured at fair value. Subsequently they are measured at amortized cost. The Company's cash is classified at amortized cost.

Financial assets classified as FVOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income except for losses in value that are considered other than temporary, in which case the losses are recognized in the statement of loss. As at December 31, 2022 and 2021, the Company had no assets classified as FVOCI.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognized on the settlement date.

Transaction costs associated with FVTPL financial assets are expensed as incurred, while transaction costs associated with all other financial assets are included in the initial carrying amount of the asset.

3.4 Financial liabilities

All financial liabilities are initially recorded at fair value and designated upon inception as FVTPL or amortized cost.

Financial liabilities classified as amortized cost are initially recognized at fair value less directly attributable transaction costs. After initial recognition, they are subsequently measured at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or, where appropriate, a shorter period. The Company's trade and other payables are measured at amortized cost.

Financial liabilities classified as FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Fair value changes on financial liabilities classified as FVTPL are recognized through the statement of comprehensive income. At December 31, 2022 and 2021, the Company has no financial liabilities classified as FVTPL.

3.5 Impairment of financial assets

The Company assesses at each statement of financial position date whether a financial asset is impaired.

Assets carried at amortized cost
If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in the statement of loss and comprehensive loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Impairment of financial assets (continued)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed. Any subsequent reversal of an impairment loss is recognized in the statement of loss and comprehensive loss.

In relation to trade receivables, a provision for impairment is made and an impairment loss is recognized in the statement of loss and comprehensive loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

FVOCI
If an FVOCI asset is impaired, an amount comprising the difference between its cost and its current fair value, less any impairment loss previously recognized in net income or loss, is transferred from equity to the statement of loss and comprehensive loss.

3.6 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to the passage of time is recognized as interest expense. As at December 31, 2022 and 2021, the Company has no obligations that require provisions.

3.7 Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, which includes key management and family of key management. Parties are also considered to be related if they are subject to common control or common significant influence, and related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. Related party transactions that are in the normal course of business and have commercial substance are measured at the fair value.

4. 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 December 31, 2022 totaled $(64,416) (2021 - $(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.

5. 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 December 31, 2022 the Company did not have any financial instruments measured at fair value and that classification within the fair value hierarchy. As at December 31, 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.

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.

(Expressed in Canadian dollars)

5. FINANCIAL INSTRUMENTS (continued)

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 December 31, 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 December 31, 2022, the Company had a working capital deficiency of $64,416 (2021 - $816). Working capital deficiency as at December 31, 2022 consisted of: cash of $1 (2021 - $1), accounts receivable of $1,477 (2021 - $nil), and trade payables and other liabilities company of $65,894 (2021 - $817). The Company had not yet achieved profitable operations, has losses of $64,417 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.

6. ACCOUNTS RECEIVABLE

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

		December 31, 2022		December 31, 2021
HST recoverable	**$**	**1,477**	$	-

7. TRADE AND OTHER PAYABLES

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

		December 31, 2022		December 31, 2021
Trade payables	**$**	**19,894**	$	817
Accrued liabilities		**46,000**		-
	$	**65,894**	$	817

(Expressed in Canadian dollars)

8. 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 December 31, 2022 and 2021	**22,590,750**	**$ 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.

9. INCOME TAXES

Income Tax Provision

The Company's income tax provision differs from the amount resulting from the application of the Canadian statutory income tax rate. A reconciliation of the combined Canadian federal and provincial income tax rates with the Company's effective tax rates for the year ended December 31, 2022 and 2021 is as follows:

	2022	**2021**
Combined statutory income tax rate	**27%**	**27%**
Income tax recovery at statutory rates	**$ (17,000)**	**$ (220)**
Tax benefits of losses and temporary differences not recognized	**17,000**	**220**
Income tax provision	**$ -**	**$ -**

The Canadian statutory income tax rate of 27% is comprised of the federal income tax rate at approximately 15% and the provincial income tax rate of approximately 12%.

Deferred Income Tax

The primary differences which give rise to the deferred income tax assets and liabilities using the deferred tax rate of 27% at December 31, 2022 and 2021 are as follows:

	2022	2021
Deferred tax assets	**$**	$
Non-capital losses carried forward	**17,000**	220
	17,000	220
Less: deferred tax asset not recognized	**(17,000)**	(220)
Net deferred tax assets	**-**	-
Deferred tax liabilities	**-**	-
Net deferred tax liabilities	**-**	-

(Expressed in Canadian dollars)

9. INCOME TAXES (continued)

The Company has available for carry forward non-capital losses in Canada of $64,417 to offset future taxable income. As at December 31, 2022, the non-capital loss carry forwards expire as follows:

2041	$	817
2042		63,600
Total non-capital losses available for	$	64,417

10. 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 year ended December 31, 2022. However, the Company did pay contract-based remuneration to directors, officers and other members of key management as disclosed in Note 10(ii).

ii) Other related party transactions

Included in these annual audited 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.

		December 31, 2022		December 31, 2021
Consulting expenses	**$**	**40,000**	$	-
Professional fees		**6,562**		-
Shareholder information		**2,900**		-
	$	**49,492**	$	-

Related party balances
Included in trade and other payables at December 31, 2022 is $58,587 (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 of 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 December 31, 2022.

1329306 B.C. Ltd.

CONDENSED INTERIM FINANCIAL STATEMENTS

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

Expressed in Canadian dollars - unaudited

1329306 B.C. Ltd.

Condensed Interim Statement of Financial Position - unaudited

Expressed in Canadian Dollars, unless otherwise stated

	Notes	June 30, 2023 (unaudited)	December 31, 2022 (audited)
Assets			
Current assets			
Cash		$ 535,334	$ 1
Amounts receivable		5,208	1,477
Total assets		540,542	1,478
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	6,8	44,690	65,894
Total liabilities		44,690	65,894
Shareholder's equity (deficiency)			
Share capital	7	577,468	1
Deficit		(81,616)	(64,417)
		495,852	(64,416)
Total liabilities and shareholders' equity (deficiency)		$ 540,542	$ 1,478

Nature of operations and going concern (Note 1)
Reverse takeover transaction (Note 2)
Subsequent events (Note 2)

Approved on behalf of the Board of Directors on August 24, 2023

"*Robin Mcwatt*" (signed)	"*Antonio Newson*" (signed)
Director	*Director*

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

1329306 B.C. Ltd.

Condensed Interim Statement of Loss and Comprehensive Loss - unaudited
For the three and six months ended June 30, 2023, and 2022
Expressed in Canadian dollars, unless otherwise stated

	Notes	For the three months ended June 30, 2023	For the three months ended June 30, 2022	For the six months ended June 30, 2023	For the six months ended June 30, 2022
Expenses					
Management consulting fees and expenses	6,8	$ --	$ 10,000	$ 10,000	$ 20,000
Professional fees		34,539	7,000	36,039	11,008
Shareholder information		3,483	3,148	3,398	4,616
Loss before other items		(38,022)	(20,148)	(49,437)	(35,624)
Other income (expense)					
Foreign exchange loss		(5,055)	--	(5,055)	--
Forgiveness of payables	6,8	37,293	--	37,293	--
Net loss and comprehensive loss		$ (5,784)	$ (20,148)	$ (17,199)	$ (35,624)
Loss per share, basic and diluted		$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)
Weighted average number of common shares used in the calculation of loss per share – basic and diluted		32,099,428	22,590,750	26,936,756	22,590,750

1329306 B.C. Ltd.

Condensed Interim Statement of Changes in Shareholders Equity – unaudited
For the six months ended June 30, 2023, and 2022
Expressed in Canadian dollars, unless otherwise stated

		Common Shares						
	Notes	Shares		Amount		Deficit		Shareholder's Deficiency
Balance, December 31, 2021		**22,590,750**	**$**	**1**	**$**	**(817)**	**$**	**(816)**
Net loss for the period		--		--		(35,624)		(35,624)
Balance, June 30, 2022		**22,590,750**	**$**	**1**		**(36,441)**		**(36,440)**
Balance, December 31, 2022		**22,590,750**	**$**	**1**	**$**	**(64,417)**	**$**	**(64,416)**
Private placement	**7**	78,662,703		586,862		--		586,862
Share issuance costs		--		(9,395)		--		(9,395)
Net loss for the period		--		--		(17,199)		(17,199)
Balance, June 30, 2023		**101,253,453**	**$**	**577,468**	**$**	**(81,616)**	**$**	**495,852**

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

1329306 B.C. Ltd.

Condensed Interim Statements of Cash Flows - unaudited
For the six months ended June 30, 2023, and 2022
Expressed in Canadian dollars, unless otherwise stated

		For the six months ended June 30,	
	Notes	**2023**	**2022**
Cash flows provided by (used for) operating activities			
Net loss for the period		$ (17,199)	$ (35,624)
Items not involving cash			
Forgiveness of payables	6,8	(37,293)	--
Unrealized foreign exchange loss		9,653	--
Changes in operating assets and liabilities			
Accounts payable and accrued liabilities	6,8	21,204	36,322
Amounts receivable		(3,731)	(698)
		(27,366)	--
Cash flows provided by (used for) financing activities			
Proceeds from share issuance, net of costs	7	577,467	--
Effect of foreign exchange on cash held		(14,768)	--
Increase (decrease) in cash		535,333	--
Cash, beginning of the period		1	1
Cash, end of the period		$ 535,334	$ 1

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

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. As at June 30, 2023, the Company's head office is located at Suite 3606 - 833 Seymour Street, Vancouver, British Columbia, Canada.

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 unaudited condensed interim financial statements (the "Interim 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. For the six months ended June 30, 2023, the Company incurred a net loss of $17,199 (six months ended June 30, 2022, loss - $35,624) and as at June 30, 2023, had an accumulated deficit of $81,616 (June 30, 2022, accumulated deficit – $64,417) and a working capital surplus of $495,852 (December 31, 2022, working capital deficit – $64,416). The Company has no source of revenue and the continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of corporate overhead. To address its financing requirements, the Company will seek financing through, but not limited to: private placements, mergers, acquisition, and stock exchange transactions, including the Plan of Arrangement (refer to Note 2). 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 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.

2. Reverse Takeover Transaction

Plan of arrangement – 1329306 B.C Ltd and Zodiac Gold Inc. Reverse Takeover

Subsequent June 30, 2023, the Company entered into an arrangement agreement dated August 15, 2023 (the "Arrangement Agreement"), pursuant to which Zodiac Gold Inc. ("Zodiac Gold") and the Company will complete a transaction that will result in the previously announced reverse takeover (June 20, 2023) of the Company by the shareholders of Zodiac Gold (the "Transaction"). Upon completion of the Transaction, the resulting company (the "Resulting Issuer") will continue to carry on the business of Zodiac Gold and will focus on the exploration and potential development of Zodiac Gold's Todi Property in Liberia. The Arrangement Agreement supersedes and replaces the June 20, 2023 letter of intent between Zodiac Gold and the Company relating to the Transaction.

Pursuant to the Arrangement Agreement, among other things, the Company proposes to acquire all of the issued and outstanding shares of Zodiac Gold ("Zodiac Shares") in exchange for shares of the Company ("ShellCo Shares") by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia).

Pursuant to the Arrangement Agreement, the Company will acquire all of the issued and outstanding Zodiac Shares, including all of the Zodiac Shares issued in connection with the Arrangement Financing (as described below) in exchange for ShellCo Shares on a one-for-one basis at a deemed price of $0.18 per share. Assuming that there will be 58,567,527 Zodiac Shares issued and outstanding immediately prior to closing, a total of 58,567,527 ShellCo Shares will be issued to the Zodiac Gold shareholders under the Arrangement Agreement. In addition, all of the issued and outstanding options and warrants to acquire Zodiac Shares will be exchanged for Resulting Issuer options and Resulting Issuer warrants having equivalent terms on a one-for-one basis.

Upon completion of the Transaction, and assuming the Arrangement Financing is fully subscribed, the shareholders of the Company and Zodiac Gold immediately prior to the completion of the Transaction (including shareholders who acquired their shares pursuant to the Arrangement Financing) are expected to hold 13,070,411 and 58,567,527 Resulting Issuer shares, respectively (representing 18.2% and 81.8%, respectively, of the outstanding Resulting Issuer shares on a non-diluted basis), and there are expected to be a total of 71,637,938 Resulting Issuer shares, 6,065,000 Resulting Issuer options and 31,746,747 Resulting Issuer warrants issued and outstanding.

Prior to completing the Transaction, the Company intends to complete a reorganization of the ShellCo Shares involving a consolidation of the ShellCo Shares followed by a split of the ShellCo Shares. The effect of this reorganization will be to consolidate the ShellCo Shares on the basis of one post-reorganization ShellCo Share for every 14 pre-reorganization ShellCo Shares.

In connection with the Transaction, the Company and Zodiac Gold ("Arrangement Financing") intend to complete non-brokered private placement financings for aggregate gross proceeds of up to approximately $2,400,000. The proceeds of the Arrangement Financing will be used to pay Transaction costs, to finance exploration programs and to fund the working capital requirements of the Resulting Issuer. The Company plans to raise gross proceeds of up to approximately $1,200,000 of the Arrangement Financing, which includes the $586,862 disclosed in these Interim Financial Statement, by way of a non-brokered private placement of ShellCo Shares at a post-reorganization price of $0.10 per share.

The Transaction is an Arm's Length transaction and is subject to the satisfaction of a number of conditions, including the receipt of all necessary court and shareholder approvals as well as conditional approval from the TSX Venture Exchange for the listing of the shares of the Resulting Issuer and completion of the private placements described below.

On August 3, 2023, the Company and Zodiac Gold entered into a promissory note. Pursuant to the promissory note, the Company agreed to loan up to $100,000 to Zodiac Gold in amounts requested by Zodiac Gold from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum and will be repayable on November 3, 2023 or at such earlier date as Zodiac Gold may determine. If Zodiac Gold fails to repay any amount owing under the promissory note when due it will be converted into Zodiac Shares at a price of $0.18 per share. Subsequent to June 30, 2023, the Company had advanced an aggregate of $100,000 to Zodiac Gold under the promissory note.

3. Basis of Preparation

3.1 Statement of compliance

These Interim Financial Statements of 1329306 B.C. Ltd have been prepared in accordance with IAS 34, Interim Financial Reporting. These 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 year ended December 31, 2022, and 2021, which has been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. These Interim Financial Statements of the Company for the period ended June 30, 2023, were approved, and authorized for issue by the Board of Directors on August 24, 2023.

3.2 Basis of Preparation

The 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 financial statements have been prepared using the accrual basis of accounting except for cash flow information.

3.3 Use of management estimates, judgments, and measurement uncertainty

These 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 years ended December 31, 2022, and 2021.

Accordingly, these Interim Financial Statements should be read in conjunction with the audited financial statements for years ended December 31, 2022, and 2021.

3.4 New accounting policy adoption

The Company has adopted the following new accounting policy.

Foreign currency translation

(i) Transactions and balances

Foreign currency transactions are translated into the functional currency of an entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses result from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in currencies other than an operation's functional currency. These gains and losses are recognized in the consolidated statements of loss. 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.

(ii) Share Capital

Share capital issued for non-monetary consideration is recorded at an amount based on estimated fair market value. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

The Company may incur fees related to Shareholder Information such as news release disseminated, monthly securities maintenance fees and related costs. These costs are not related to issue of equity instrumentsl and are expensed under Shareholder Information.

4. 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 shareholder's equity, comprising share capital and deficit which as at June 30, 2023, totaled $495,852 (December 31, 2022 – deficiency of $64,416).

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 investment and financing activities. Selected information is provided to the Board of Directors of the Company. The Company is not subject to any capital requirements.

5. 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 June 30, 2023, the Company did not have any financial instruments measured at fair value and that classification within the fair value hierarchy. As at June 30, 2023, 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. 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 in trust with the Company's lawyer and the risk of loss is minimal.

The Company's maximum exposure to credit risk as at June 30, 2023, is the carrying value of cash.

ii) Liquidity risk

The Company manages its liquidity risk to ensure that it will have sufficient liquidity to meet liabilities as they become due. At June 30, 2023, the Company had a working capital surplus of $495,852 (December 31, 2022, working capital deficit - $64,416). Working capital surplus as at June 30, 2023, consisted of: cash of $535,334 (December 31, 2022 - $1); amounts receivable of $5,208 (December 31, 2022 - $1,477); and accounts payable and accrued liabilities of $44,690 (December 31, 2021 - $65,894). As at June 30, 2023, the Company had not yet achieved profitable operations, had losses of $17,199 (June 30, 2022, loss - $35,624) 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

iv) Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada with the functional currency is the Canadian dollar. The Company held foreign denominated cash in United States Dollars ("USD"). A significant change in the currency exchange rates between the functional currency relative to foreign currencies could have an effect on the Company's results of operations. The Company has not hedged its exposure to currency fluctuations. The Company held in trust with its lawyer $321,344 in USD and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the USD would result in a $42,546 (December 31, 2022 – $NIL) decrease/increase in the Company's statement of loss and comprehensive loss.

6. Accounts payable and accrued liabilities

		June 30, 2023 (unaudited)		December 31, 2022 (audited)
Accounts payable	$	44,690	$	19,894
Accruals liabilities		--		46,000
	$	44,690	$	65,894

For the six months ended June 30, 2023, certain officers (refer to Note 8) and creditors forgave payables of $37,293 (December 31, 2022 – Nil).

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:

		June 30, 2023 (unaudited)		December 31, 2022 (audited)
Number of shares		101,253,453		22,590,750
Share capital value	$	577,468	$	1

For the six months ended June 30, 2023:

On June 20, 2023, the Company completed transfer of shares by the controlling shareholder. The Company's controlling shareholder, 2673954 Ontario Inc. and certain affiliates sold a total of 20,323,008 common shares in the capital of the Company ("Common Shares"), representing approximately 90% of the Company's issued and outstanding Common Shares to six separate purchasers (the "Share Sale").

Concurrently, with the Share Sale, the Company closed a non-brokered private placement for gross proceeds of $586,862 for the issuance of 78,662,703 common shares. The Company incurred $9,395 share issuance costs.

For the six months ended June 30, 2022:

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.

Expressed in Canadian dollars, unless otherwise stated

8. Related Party Payables and 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 June 30, 2023, and 2022. The Company did pay contract-based remuneration to directors, officers, and other members of key management as disclosed in Note 8(ii). Pursuant to the Share Sale (refer to Note 7), key management outstanding payables of $50,000 were settled for $20,000. As at June 30, 2023, there were no outstanding payables to key management.

ii) Other related party transactions

Included in these Interim Financial Statements are the following related party transactions, which were in the normal course of business and 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.

Related Party services & fees

	For the three months ended June 30 30,		For the six months ended June 30	
	2023	**2022**	**2023**	**2022**
Services rendered incurred (ii):				
Consulting expenses	$ --	$ 10,000	$ 10,000	$ 20,000
	$ --	$ 10,000	$ 10,000	$ 20,000

APPENDIX B
FINANCIAL STATEMENTS OF ZODIAC

See attached.

ZODIAC GOLD INC.
(an exploration stage company)

CONSOLIDATED FINANCIAL STATEMENTS

For the years ended March 31, 2023 (audited), and March 31, 2022 (unaudited)

Expressed in US dollars

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Audit. Tax. Advisory.

Independent Auditor's Report

To the Directors of Zodiac Gold Inc.

Opinion

We have audited the consolidated financial statements of Zodiac Gold Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2023, and the consolidated statements of loss and comprehensive loss, consolidated statements of changes in shareholders equity and consolidated statements of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at March 31, 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net loss during the year ended March 31, 2023 and, as of that date, the Company's current liabilities exceeded its current assets. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other matter

The consolidated financial statements of the Company for the 12 month period ended March 31, 2022 are unaudited.

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Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty

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exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

McGovern Hurley LLP

McGovern Hurley LLP

Chartered Professional Accountants
Licensed Public Accountants

Toronto, Ontario
November 14, 2023

ZODIAC GOLD INC.

(an exploration stage company)

Consolidated Statements of Financial Position - unaudited

Expressed in US Dollars, unless otherwise stated

	Notes	March 31, 2023 (audited)	March 31, 2022 (unaudited)
Assets			
Current assets			
Cash		$ 17,458	$ 42,839
Prepaid expenses and amounts receivable		113,188	106,267
		130,646	149,106
Property and equipment	8	45,808	62,979
Right of use assets	9	81,098	92,352
Total assets		257,552	304,437
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	11	929,881	307,565
Lease liabilities	9	18,300	10,000
Derivative liability - warrants	10(d)	233,699	384,220
		1,181,880	701,785
Lease liabilities	9	73,779	80,669
Total liabilities		1,255,659	782,454
Equity			
Share capital	10	7,460,208	7,075,023
Share subscriptions	10(c)	193,060	5,085
Contributed surplus	10(e)	281,929	--
Warrants	10(d)	343,214	343,214
Accumulated other comprehensive income		42,942	5,506
Deficit		(9,319,460)	(7,906,845)
		(998,107)	(478,017)
Total liabilities and equity		$ 257,552	$ 304,437
Nature of operations and going concern	1		
Reverse takeover transactions	2		
Subsequent events	2,11 & 16		

Approved on behalf of the Board

"Graham C. Warren"	*"Mark Kol"*
Director	**Director**

ZODIAC GOLD INC.
(an exploration stage company)
Consolidated Statements of Loss and Comprehensive Loss - unaudited
For the years ended March 31, 2023, and March 31, 2022
Expressed in US dollars, unless otherwise stated

		For the year ended	
	Notes	**March 31, 2023 (audited)**	**March 31, 2022 (unaudited)**
Expenses			
Exploration and evaluation costs	7	$ 837,092	$ 1,916,571
Investor and shareholder communications		262,291	18,046
Management consulting fees and expenses		131,798	53,392
Office and administration		38,197	15,576
Professional fees		189,850	67,165
Share-based compensation	10(e)	281,929	--
Loss before other items		(1,741,157)	(2,070,750)
Other income (expense)			
Acquisition expense	2(ii)	--	(823,035)
Bad debts	11	(33,555)	(15,752)
Fair value change on derivative liability	10(d)	381,550	65,623
Foreign loss		(33,043)	(6,630)
Interest expense – lease liability	9	(11,410)	(10,559)
Settlement of payables	11	25,000	74,569
Net loss for the year		$ (1,412,615)	$ (2,786,534)
Other comprehensive gain			
Items that are or may be reclassified to net income or (loss):			
Currency translation adjustment of foreign subsidiary		37,436	5,506
Other Comprehensive gain		37,436	5,506
Net loss and comprehensive loss		$ (1,375,179)	$ (2,781,028)
Loss per share, basic and diluted		$ (0.03)	$ (0.11)
Weighted average number of common shares used in the calculation of loss per share – basic and diluted		45,810,689	27,084,728

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

ZODIAC GOLD INC.

(an exploration stage company)

Consolidated Statements of Changes in Shareholders Equity

For the years ended March 31, 2023 (audited), and March 31, 2022 (unaudited)

Expressed in US dollars, unless otherwise stated

	Common Shares					Accumulated other		
	Shares	**Amount**	**Warrants**	**Share subscriptions**	**Contributed surplus**	**comprehensive income**	**Deficit**	**Shareholders' deficiency**
Balance, March 31, 2021	**19,231,676**	**$ 4,441,776**	**$ --**	**$ 150,000**	**$ --**	**$ --**	**$ (5,120,311)**	**$ (528,535)**
Share issued for subscribed shares (Note 10)	150,000	150,000	--	(150,000)	--	--	--	--
GRM RTO – common shares issued (Notes 2(ii) & 10)	21,413,659	2,163,218	329,288	91,276	--	--	--	2,583,782
GRM RTO - Shares issued for subscribed shares (Notes 2(ii) & 10)	847,500	86,191	--	(86,191)	--	--	--	--
Private placements (Note 10)	729,151	88,293	13,926	--	--	--	--	102,219
Warrants classified as a derivative liability (Note 10)	--	(14,809)	--	--	--	--	--	(14,809)
Share issue costs	--	(2,015)	--	--	--	--	--	(2,015)
Creditor settlement (Notes 10 & 11)	1,596,544	162,369	--	--	--	--	--	162,369
Foreign currency translated adjustment	--	--	--	--	--	5,506	--	5,506
Net loss for the year	--	--	--	--	--	--	(2,786,534)	(2,786,534)
Balance, March 31, 2022	**43,968,530**	**7,075,023**	**343,214**	**5,085**	**--**	**5,506**	**(7,906,845)**	**(478,017)**
Private placements (Note 10)	4,574,070	617,500	--	--	--	--	--	617,500
Warrants classified as a derivative liability (Note 10)	--	(106,602)	--	--	--	--	--	(106,602)
Warrants derivative liability – modification (Note 10)	--	(124,427)	--	--	--	--	--	(124,427)
Share issue costs	--	(1,286)	--	--	--	--	--	(1,286)
Share subscriptions (Note 10)	--	--	--	187,975	--	--	--	187,975
Shared-based payments	--	--	--	--	281,929	--	--	281,929
Foreign currency translated adjustment	--	--	--	--	--	37,436	--	37,436
Net loss for the year	--	--	--	--	--	--	(1,412,615)	(1,412,615)
Balance, March 31, 2023	**48,542,600**	**$ 7,460,208**	**$ 343,214**	**$ 193,060**	**$ 281,929**	**$ 42,942**	**$ (9,319,460)**	**$ (998,107)**

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

ZODIAC GOLD INC.

(an exploration stage company)
Consolidated Statements of Cash Flows
For the years ended March 31, 2023, and March 31, 2022
Expressed in US dollars, unless otherwise stated

	Notes	For the year ended March 31, 2023 (audited)	March 31, 2022 (unaudited)
Cash flows provided by (used for) operating activities			
Net loss for the year		$ (1,412,615)	$ (2,786,534)
Items not involving cash			
Acquisition expense	2(ii)	--	823,035
Amortization and depreciation	8 & 9	28,425	18,108
Bad debts		33,555	15,752
Fair value change on derivative liability	10(d)	(381,550)	(65,623)
Gain on settlement of payables	10 & 11	(25,000)	(74,569)
Interest expense – lease liability	9	11,410	10,559
Share-based payments – subscribed shares	10(c)	138,000	--
Shared-based compensation	10(e)	281,929	--
Unrealized foreign exchange (gain)/loss		33,043	(8,241)
Changes in operating assets and liabilities			
Accounts payable and accrued liabilities		643,209	30,320
Amounts receivable and prepaid expenses		(40,476)	(44,131)
		(690,070)	(2,081,324)
Cash flows from investing activities			
Cash received on GRM RTO transaction	2(ii)	--	661,160
Property and equipment additions	8	--	(51,293)
		--	609,867
Cash flows from financing activities			
Borrowings	2(ii)	--	1,412,207
Subscribed shares	10	49,975	--
Proceeds from private placements	10	617,500	102,219
Share issuance costs	10	(1,286)	(2,015)
Repayment of lease liability	9	(1,500)	--
		664,689	1,512,411
Foreign exchange on cash balances		--	1,612
Increase (decrease) in cash		(25,381)	42,566
Cash, beginning of the year		42,839	273
Cash, end of the year		$ 17,458	$ 42,839
Supplemental cash flow information			
Finder warrants issued as share issuance costs	10	$ --	$ 13,926
Issuance of shares for settlement of payables	10 & 11	--	162,369
GRM RTO – common shares	2(ii)(a)	--	2,163,218
GRM RTO – warrants	2(ii)(b)	--	329,288
GRM RTO – derivative liability warrants	2(ii)(c)	--	435,034
GRM RTO – subscribed shares	2(ii)(d)	--	91,276
Consulting shares – subscribed shares	10(c)	138,000	--
Borrowings settled as a result of GRM RTO transaction	2(ii)(e)	--	1,834,573

1. Nature of Operations and Going Concern

Zodiac Gold Inc. ("Zodiac Gold" or the "Company") was incorporated on May 26, 2020, under the British Columbia Business Corporations Act. The address of the Company's corporate office is Suite 3606 - 833 Seymour Street, Vancouver, British Columbia, Canada.

On November 30, 2021, Zodiac Gold, and Gem Rocks Mining Resources Inc. ("Gem Rocks") completed a reverse takeover with the result being that the current shareholders of Gem Rocks would then control the consolidated entity (Refer to Note 2(ii)). Gem Rocks was incorporated on December 7, 2011, under the Liberian Business Corporations Act. Gem Rocks holds the Todi Property exploration license located in the Republic of Liberia ("Liberia").

Zodiac Gold is a mineral exploration company focused on the identification, acquisition, exploration, development and/or sale of precious mineral resource properties in Liberia. The Company's major mineral property interest is the Todi Property.

The Company has not yet determined whether its exploration and evaluation property contains mineral reserves that are economically recoverable. The continued operations of the Company is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of such properties and upon future profitable production or proceeds from the disposition of such properties.

These unaudited consolidated financial statements ("Financial Statements") are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the year ended March 31, 2023, the Company incurred a net loss totaling $1,412,615 (year ended March 31, 2022 - $2,786,534) and as at March 31, 2023, had an accumulated deficit of $9,319,460 (March 31, 2022, deficit – $7,906,845) and a working capital deficit of $1,051,234 (March 31, 2022, deficit – $552,679).

Based on the Company's financial position as at March 31, 2023, the available funds are not considered adequate to meet requirements for the estimated operations and exploration expenditures in the coming twelve-month period. These requirements may be adversely impacted by an absence of available financing for private mineral exploration companies. To address its financing requirements, the Company will seek financing through, but not limited to: mergers, acquisition, debt financing, stock exchange transactions, strategic alliances, joint-ventures, and optioning its mineral properties (refer to Notes 2 & 15). However, there is no assurance that such financing will be available. These events and conditions indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these Financial Statements, then adjustments may be necessary to the carrying values of assets, liabilities, the reported income and expenses and the balance sheets classifications used. Such adjustments could be material.

2. Corporate transactions

(i) Plan of arrangement – 1329306 B.C Ltd and Zodiac Gold Reverse Takeover

Subsequent to March 31, 2023, on June 20, 2023, 1329306 B.C. Ltd. (the "ShellCo") and Zodiac Gold entered into a binding letter of intent (the "Letter of Intent") in respect of the proposed business combination (the "PUB-RTO") pursuant to which they agreed to proceed with the PUB-RTO. Subsequently, ShellCo and Zodiac Gold entered into an arrangement agreement dated August 15, 2023 (the "Arrangement Agreement"), which superseded and replaced the Letter of Intent. Pursuant to the Arrangement Agreement, the PUB-RTO will proceed by way of a plan of arrangement pursuant to which ShellCo will acquire Zodiac Gold in exchange for common shares of ShellCo (the "Arrangement"). Pursuant to the Arrangement, it is anticipated that (i) each common share of ShellCo ("ShellCo Shares"), after giving effect to the ShellCo Share Reorganization (as defined below), will be exchanged for one common share of Zodiac Gold (a "Zodiac Share") at a deemed issue price of C$0.18 per share and (ii) each outstanding warrant and option to acquire a Zodiac Share will exchanged for one warrant or option to acquire a ShellCo Share at the same price and on the same terms and conditions. Following closing of the PUB-RTO, Zodiac Gold will be a wholly-owned subsidiary of ShellCo and will continue the business of Zodiac Gold under the name Zodiac Gold Corp. (the "Resulting Issuer").

Prior to completion of the PUB-RTO, ShellCo will complete a reorganization of its share capital based on a ratio that will have the effect of consolidating the current outstanding ShellCo Shares on a 14:1 basis (the "ShellCo Share Reorganization"). Upon completion of the PUB-RTO, it is anticipated that the Resulting Issuer will be listed as a Tier 2 mining issuer on the TSX Venture Exchange (the "TSX-V"), with Zodiac Gold as its primary operating subsidiary.

Expressed in US dollars, unless otherwise stated

Subsequent to March 31, 2023, the ShellCo and the Company entered into two promissory notes pursuant to which ShellCo agreed to loan up to C$250,000 requested by Zodiac Gold from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum. If Zodiac Gold fails to repay any amount owing under the promissory note when due it will be converted into shares of Zodiac Gold at a price of C$0.18 per share. The first promissory note of $74,251 (C$100,000) issued on August 3, 2023, will be repayable on February 3, 2024 and the second promissory note of $109,369 (C$150,000) issued on October 19, 2023, will be repayable on February 19, 2024. Zodiac Gold may repay the promissory notes by the due dates or at such earlier date without penalty.

(ii) **Reverse Takeover Transaction – Zodiac Gold Inc. and Gem Rocks**

On November 30, 2021, the Company completed a reverse takeover transaction (the "GRM RTO"). The GRM RTO was completed by way of Zodiac Gold's offer to Gem Rocks' shareholders to acquire all of the issued and outstanding common shares of Gem Rocks. The transaction was implemented by way of a Share Exchange Agreement ("SEA"). Under the terms of the SEA, each Gem Rocks shareholder exchanged 1.3333 Gem Rocks shares for one common share of Zodiac Gold. In substance, the transaction involves Gem Rocks' shareholders obtaining control of Zodiac Gold.

For accounting purposes, immediately prior to and in connection with the GRM RTO, Gem Rocks effected a share consolidation (the "Share-Consolidation") of its common shares on a basis of one post-Share-Consolidation Zodiac Gold share for every 1.3333 pre-Share-Consolidation Gem Rocks shares. Following the closing of the GRM RTO, the Company consolidated share capital was 40,795,335. Including Zodiac Gold shares purchased by existing Gem Rocks shareholders in Zodiac Gold's financings pre the GRM RTO, Gem Rocks shareholders held 51% of the total fully diluted shares in the consolidated company. The Company has reserved 50,000 (0.26%) common shares on account of shares issuable to one Gem Rocks shareholder who has not executed the SEA. The value of the shares based on post-Share-Consolidation is $5,085 and the Company has reserved the shares for later issuance.

For accounting purposes, the GRM RTO has been presented as the acquisition of Zodiac Gold by Gem Rocks and resulted in the accounting issuance of 21,463,659 common shares, 9,869,206 share purchase warrants, 13,016,101 derivative liability warrants, and 847,500 subscribed shares to Zodiac Gold. As Gem Rocks was deemed to be the accounting acquirer and the continuing business with Gem Rocks' results of its operations shown as the comparative period in these Financial Statements. Zodiac Gold's results of operations are included from the date of acquisition (November 30, 2021) onwards.

The transaction constitutes as an asset acquisition as Zodiac Gold did not meet the definition of a business. The assets acquired and liabilities assumed were recorded at their fair values which are based on management's estimates. As a result of this asset acquisition, the Company recorded a loss on acquisition of $823,035. This reflects the excess of the estimated fair value of GRM RTO shares, share purchase warrants, derivative liability – warrants, subscribed shares, debt conversion and transaction costs less the acquired assets and liabilities of Zodiac Gold.

Consideration paid		
Common shares issued (a)	$	2,163,218
Share purchase warrants (b)		329,288
Derivative liability – warrants (c)		435,034
Zodiac Gold subscribed shares (d)		91,276
Settlement of pre-existing debt (e)		(1,834,573)
Transaction costs (f)		134,476
Total consideration paid	$	1,318,719

Allocation of assets and liabilities		
Current assets	$	755,901
Accounts payables		(260,217)
	$	495,684
Loss on acquisition	$	823,035

Expressed in US dollars, unless otherwise stated

(a) The fair value of the shares issued was based on the price of each common share of Zodiac Gold pursuant to a non-brokered private placement prior to November 30, 2021. Each common share was valued at $0.1017 after the fair value allocation of the unit price to common shares and warrants (see Note 10). The number of shares allocated to Zodiac Gold was 21,463,659 for a value of $2,182,854. This amount was reduced by the fair value of the finder warrants of $19,636.

Prior to the GRM RTO, Zodiac Gold issued the following common shares and share purchase warrants which were included in the fair value calculation of Zodiac Gold's common shares.

- One common share on Zodiac Gold's incorporation.
- On April 21, 2021, Zodiac Gold issued 2,828,575 units at a price of $0.14 per unit. Each unit includes one common share and one share purchase warrant of Zodiac Gold with each warrant exercisable into one common share for an exercise price of $0.185 until April 21,2023.
- On April 30, 2021, Zodiac Gold issued 1,096,000 units at a price of C$0.18 per unit (C$ Unit) and 1,251,815 units at a price of $0.14 per unit (US Unit). Each C$ Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until April 30, 2023. Each US Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of $0.185 until April 30,2023.
- On July 30, 2021, Zodiac Gold issued 2,976,556 units at a price of C$0.18 per unit (C$ Unit) and 3,971,427 units at a price of $0.14 per unit (US Unit). Each C$ Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until July 30, 2023, Each US Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of $0.185 until July 30,2023. Zodiac Gold issued 419,038 Finder Warrants with each Finder's Warrant exercisable into one common share of Zodiac Gold at an exercise price of C$0.24 until July 30, 2023.
- On September 2, 2021, Zodiac Gold issued 3,500,000 units at a price of C$0.18 per unit. Each unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until September 2, 2023. Zodiac Gold issued 124,000 Finder Warrants with each Finder's Warrant exercisable into one common share of Zodiac Gold at an exercise price of C$0.24 until September 2, 2023.
- On October 15, 2021, Zodiac Gold issued 875,001 units at a price of C$0.18 per unit (C$ Unit) and 4,964,284 units at a price of $0.14 per unit (US Unit). Each C$ Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until October 15, 2023, Each US Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of $0.185 until October 15, 2023. Zodiac Gold issued 31,111 Finder Warrants with each Finder's Warrant exercisable into one common share of Zodiac Gold at an exercise price of C$0.24 until October 15, 2023.

(b) The fair value of the share purchase warrants issued is based on 8,447,557 share purchase warrants with a fair value of $275,413, 574,149 finder warrants with a fair value of $19,636 and 847,500 subscribed share purchase warrants with a fair value of $34,239. Refer to Note 10 (d) for further details.

The Company measured the warrants with the Black-Scholes option pricing model with the following assumptions:

	As at November 30, 2021
Volatility	100%
Expected life (years)	1.39 – 2.11
Risk-free rate	0.24%-1.06%
Dividend yield	0%

(c) The Company recorded 13,016,101 US$ warrants with a fair value of $435,034. The US$ warrants are derivative liabilities as Zodiac Gold's functional currency is the Canadian dollar. Refer to Note 10 (d) for further details. The Company measured the warrants with the black-Scholes option pricing model with the following assumptions:

Expressed in US dollars, unless otherwise stated

	As at November 30, 2021
Volatility	100%
Expected life (years)	1.39 – 1.87
Risk-free rate	0.24%-1.00%
Dividend yield	0%

(d) The subscribed shares represent 847,500 units for gross proceeds of $120,430 which were issued post the GRM RTO. Each unit includes one common share and one share purchase warrant. Each common share is fair valued at $0.1017 for a total of $86,191, based on the fair value allocation of common shares and warrants. Refer to Note 10 (c).

(e) Gem Rocks owed Zodiac Gold for advances, interest payable and other costs prior to the GRM RTO. These amounts were settled upon completion of the GRM RTO transaction and are shown as settlement of pre-existing debt in the consideration paid.

(f) Transaction costs include 1,322,281 incentive shares provided to certain advisors and management of Zodiac Gold. The Company valued each common share at $0.1017 per common share for a fair value of $134,476.

3. Statement of Compliance and Basis of Preparation

These Financial Statements of the Company and its subsidiary are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These Financial Statements were approved by Zodiac Gold's directors on November 14, 2023.

4. Significant Accounting Policies

a) Basis of presentation

These Financial Statements have been prepared on an accrual basis and historical cost basis. The preparation of the Financial Statements, in compliance with IFRS, requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgment of complexity, or areas where assumptions and estimates are significant to the Financial Statements are disclosed in Note 5. These Financial Statements are prepared in United Stated dollars, with all amounts rounded to the nearest dollar, unless otherwise stated.

b) Consolidation

These Financial Statements include the accounts Zodiac Gold and its wholly owned subsidiary Gem Rocks.

c) Cash and cash equivalents

Cash is cash on deposit with banks and cash equivalents are money market investments with maturities on the date of acquisition of 90 days or less. Cash and cash equivalents are readily convertible to cash and are subject to insignificant changes in value.

d) Borrowings

Borrowings are non-derivative financial liabilities with fixed or determinable payments that are not quoted in an active market. Such liabilities are initially recognized at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, borrowings are measured at amortized cost using the effective interest method.

e) Foreign currency translation

(i) Transactions and balances

Foreign currency transactions are translated into the functional currency of an entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses result from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in currencies other than an operation's functional currency. These gains and losses are recognized in the statement of loss and comprehensive loss. 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.

(ii) Translation of functional currency results into the presentation currency

The operation results and balance sheets of a company with functional currencies different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of the consolidated statements of financial position;
- Income and expenses are translated at monthly average exchange rates, unless the average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the date of the transactions; and
- All resulting exchange differences are recognized as a currency translation adjustment in the statements of comprehensive income (loss).

The functional currency of the Canadian company (Zodiac Gold) is the Canadian Dollar (C$), and the functional currency of Gem Rocks (Liberian subsidiary) is the United States Dollar.

f) Financial instruments

Financial assets and liabilities are initially recognized at fair value on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. Measurement in subsequent periods depends on the financial instrument’s classification. The Company classifies its financial assets into categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

- Cash is recorded at amortized cost.
- Cash equivalents are measured at fair value through statement of loss with changes in fair value measured through the statement of loss.
- Receivables are recorded at amortized cost.
- Accounts payable measured at amortized cost.
- Lease liabilities measured at amortized cost.
- Derivative liabilities are recorded at fair value through the statement of loss with changes in fair value measured through the statement of loss.

The three levels of the fair value hierarchy are:

Level 1 – Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – Valuation based on directly or indirectly observable inputs (other than Level 1 inputs) such as quoted interest or currency exchange rates; and

Level 3 – Valuation based on significant inputs that are not based on observable market data such as discounted cash flow methodologies based on internal cash flow forecasts.

g) Impairment of financial assets

Financial assets, other than those at fair value through the statements of loss and comprehensive loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized.

h) Exploration and evaluation expenditures

Exploration and evaluation expenditures are expensed as incurred and include the costs incurred in the initial search for mineral deposits with economic potential or in the process of obtaining more information about existing mineral deposits. Exploration and evaluation expenditures typically include costs associated with prospecting, sampling, mapping, drilling, and other work involved in searching for mineral resources.

i) Property and equipment

Property and equipment are stated at cost as at the date of acquisition. Residual values, method of depreciation and useful lives of the assets are reviewed annually and adjusted if expectations differ from previous estimates. Depreciation related to property and equipment used in exploration and evaluation activities are classified within exploration and evaluation expenditures. The Company depreciates property and equipment using the straight-line method over their useful lives as follows:

• Buildings	2.5-10 years
• Camp and field equipment	2.5-5 years
• Office furniture	2.5 years
• Leasehold improvements	over the term of the lease

Gains and losses on disposals of property and equipment are determined by comparing the proceeds with the carrying amount of the asset and are included as part of other gains and losses in the statement of loss and comprehensive loss.

j) Impairment of non-financial assets

The Company's non-financial assets are reviewed for indications of impairment at each reporting period. If indication of impairment exists, the asset's recoverable amount is estimated.

The Company performs an impairment test when events or circumstances occur which indicate the assets may not be recoverable. The recoverable amount is the greater of the asset's fair value, less costs to sell and value in use. Impairment tests are performed on a project-by-project basis with each project representing a cash-generating unit. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount and recognized in the statements of loss and comprehensive loss.

Reversal of impairment

An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

k) Leases

At inception of a contract, management assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Management assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all of the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset. At inception or on reassessment of a contract that contains a lease component, management allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

As a lessee, the Company recognizes a right-of-use asset and a lease obligation liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease obligation liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received.

Right-of-use assets are subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of lease obligation liabilities.

A lease obligation liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted at the Company's incremental borrowing rate. Lease payments included in the measurement of lease obligation liabilities are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;

- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Lease obligation liabilities are measured at amortized cost using the effective interest method. They are remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Company's estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension, or termination option. Variable lease payments not included in the initial measurement of a lease obligation liability are changed directly to the statement of loss and comprehensive loss.

l) Loss per share

Basic loss per share is computed by dividing loss attributable to common shareholders by the weighted average number of common shares outstanding during the year. Diluted earnings per share is calculated by adjusting the earnings attributable to equity holders and the weighted average number of common shares outstanding for the effects of all potentially dilutive common shares. The calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. In periods where a loss is reported, diluted loss per share is the same as basic loss per share as the effects of potentially dilutive common shares would be anti-dilutive.

m) Income tax

Income tax on the statements of loss and comprehensive loss for the years presented comprises current and deferred tax. Income tax is recognized in the statements 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 in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, adjusted for any adjustment to tax payable in respect of previous years.

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 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 balance sheet 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 is provided on temporary differences arising on investments in subsidiaries and associates, except, in the case of subsidiaries, where the timing of the reversal of the temporary difference is controlled by the Company and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are presented as non-current. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities, when they relate to income taxes levied by the same taxation authority and when the Company intends to settle its current tax assets and liabilities on a net basis.

n) Share capital

Share capital issued for non-monetary consideration is recorded at an amount based on estimated fair market value.

o) Share-based compensation

Share-based compensation transactions with employees are measured based on the fair value of the share-based compensation issued. The Company grants stock options to certain employees under the terms of the Company's Stock Option Plan. Each tranche in an option award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche is measured at the date of grant using the Black-Scholes option pricing model. The Black-Scholes option pricing model requires estimates for the expected life of options and stock price volatility which can materially affect the fair value estimate. Volatility and expected life of option is estimated based on an analysis of factors such as the Company's historical price trends, history of option holder activity, and peer and industry benchmarks for similar transactions.

Share-based compensation expense is recognized over the vesting period of the grant by increasing contributed surplus based on the number of awards expected to vest. This number is reviewed at least annually, with any change in estimate recognized immediately in share-based compensation expense with a corresponding adjustment to contributed surplus.

Share-based compensation transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

p) Warrants

Share purchase warrants issued for broker/financing compensation are recognized at their fair value using the Black-Scholes option pricing model at the date of issue and initially recorded to warrant reserves.

If warrants are exercisable in a currency different from the Company's functional currency, the value of the warrants is calculated using the Black-Scholes option pricing model and classified as a derivative liability and measured at fair value through the statement of loss and comprehensive loss.

The derivative liability relating to warrants exercisable in a currency different from the Company's functional currency is remeasured to fair value at the end of each reporting period using the Black-Scholes option pricing model, with gains or losses on remeasurement recognized in the statement of loss and comprehensive loss. Upon the exercise of warrants previously recorded to reserves or as a derivative liability, the value previously recorded to reserves or the fair value of the derivative liability relating to warrants exercised is reclassified to share capital.

5. Significant Accounting Estimates and Judgments

The preparation of these Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures of contingencies. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the notes to these Financial Statements where applicable. Actual results may differ from these estimates. The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the Company’s statements of financial position reported in future periods.

a) Going Concern

These Financial Statements have been prepared on the assumption that the Company is able to continue as a going concern. The Company has estimated its development, exploration, and operational expenditure for the coming 12 months from historical and projected costs of its development, exploration, and corporate programs. The Company’s expected commitments is based on management’s best estimates of operating conditions for continued exploration work on the Todi Property, on-going evaluation of acquisition exploration targets in Liberia and on-going administration and financing costs in the context of current economic conditions and capital market climate. Management has judged the Company’s ability to raise additional capital/funding and continue as a going concern and has concluded that the going concern basis of accounting is appropriate. Refer to Notes 1,2,11 and 15 for further details.

b) Derivative liability – warrants

The Company measures the initial warrant liability and subsequent revaluations of the warrant liability by reference to the fair value of the warrants at the date at which they were issued and subsequently revalues them at each reporting date. Estimating fair value for these warrants requires management to determine the most appropriate valuation model. This estimate also requires management to make significant judgments about the capacity in which warrant holders receive warrants, and to make assumptions about the most appropriate inputs to the valuation model including the expected life of the warrants, volatility, and dividend yield. The assumptions and model used for estimating fair value for the warrant liability are disclosed in Note 10(d).

c) Acquisitions

The allocation of the purchase price in a business combination or asset acquisition, requires estimating the fair value of consideration paid, including, and not limited to common shares, share purchase warrants and subscribed shares, as well the fair value of acquired assets and liabilities. Judgment is used in determining whether an acquisition is a business combination or an asset acquisition. Refer to Note 2.

d) Legal matters

From time to time, the Company is named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to statement of loss and comprehensive loss in that period. The disclosure of further information with respect to ongoing legal matters would be reasonably expected to prejudice the position of the Company in such matters.

e) Existence of Decommissioning and Restoration Costs and the Timing of Expenditure

Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

f) Lease liabilities

All the components of the lease liability are required to be discounted to reflect the present value of the payments. The discount rate to use is the rate implicit in the lease, unless this cannot readily be determined, in which case the lessee's incremental borrowing rate is used instead. The definition of the lessee's incremental borrowing rate states that the rate should represent what the lessee would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Significant judgment is required to estimate an incremental borrowing rate in the context of a right-of-use asset.

g) Share-based compensation and share purchase warrants

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment and share purchase warrant transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumption about them, the assumptions and models used for estimating fair value for share-based payment and warrant transactions are disclosed in Notes 10 (d) and (e).

h) Recoverability of amounts receivable and deposit liability

For the year ended March 31, 2023, the Company recognized a receivable of $33,555 for a cost-sharing agreement with a Liberian exploration company. In connection with the cost-sharing agreement was a $25,000 refundable deposit which can be refunded or allocated for owed amounts. The Company assessed its ability to collect its outstanding receivables, requiring the judgment of the ability of the Liberian exploration company to pay the owed amounts. The Company has not received any payments from the Liberian exploration company since March 2023. As the Liberian exploration company has no source of revenue, management concluded that the amount receivable was not recoverable. On March 31, 2023, the Company wrote off the receivable of $33,355 and recorded a recovery of the $25,000 refundable deposit for owed amounts.

6. New Accounting Policies and Accounting Standards Adopted and Not Yet Effective

<u>IFRS not yet effective</u>

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2023. Many are not applicable or do not have a significant impact on the Company and have been excluded. The Company is currently assessing the impact (if any) of these new pronouncements.

IAS 1 - In February 2021, the IASB issued `Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for year ends beginning on or after January 1, 2023.

Expressed in US dollars, unless otherwise stated

Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

IAS 8 - In February 2021, the IASB issued `Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

IFRS 10 - Consolidated Financial Statements ("IFRS 10") and IAS 28 - Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet determined, however early adoption is permitted.

7. Exploration and Evaluation expenditures

	For the year ended March 31, 2023	2022 (unaudited)
Administration	$ 354,344	$ 520,848
Amortization & depreciation (Notes 8 & 9)	28,424	18,108
Camp costs	12,715	69,293
Community relations	31,171	44,749
Drilling & assays	200	488,969
Geology	222,594	546,682
Fees & salaries	166,798	158,169
License & permits	20,846	69,753
Total	$ 837,092	$ 1,916,571

8. Property and Equipment

Net Book value	Camp	Equipment	Furniture	Leasehold improvements	Work in progress	Total
As at March 31, 2023	$ 32,368	$ 751	$ 2,193	$ 10,496	$ --	$ 45,808
As at March 31, 2022	40,460	6,551	$ 4,073	--	11,895	62,979

Cost	Camp	Equipment	Furniture	Leasehold improvements	Work in progress	Total
March 31, 2021	$ --	$ 14,500	$ --	$ --	$ --	$ 14,500
Additions	40,460	--	4,700	--	11,895	57,055
March 31, 2022	40,460	14,500	4,700	--	11,895	71,555
Additions	--	--	--	11,895	--	11,895
Reclasses	--	--	--	--	(11,895)	(11,895)
March 31, 2023	$ 40,460	$ 14,500	$ 4,700	$ 11,895	$ --	$ 71,555

Expressed in US dollars, unless otherwise stated

Accumulated Depreciation	Camp	Equipment	Furniture	Leasehold improvements	Work in progress	Total
March 31, 2021	$ --	$ (2,149)	$ (125)	$ --	$ --	$ (2,274)
Additions	--	(5,800)	(502)	--	--	(6,302)
March 31, 2022	--	(7,949)	(627)	--	--	(8,576)
Additions	(8,092)	(5,800)	(1,880)	(1,399)	--	(17,171)
March 31, 2023	$ (8,092)	$ (13,749)	$ (2,507)	$ (1,399)	$ --	$ (25,747)

9. Lease Liabilities and Right-of-Use Assets

In November 2019, Gem Rocks, entered into a 10-year lease agreement for the Company's CEO housing in Monrovia, Liberia. In October 2020, Gem Rocks entered into a 10-year lease agreement for the Gem Rocks Liberian office and facilities. At the commencement date of the leases, the lease liabilities were measured at the present value of the lease payments.

The lease payments are discounted using an interest rate of 12.44%, which is the Company's estimated incremental borrowing rate. The transaction and balances for each year are below:

(a) Right of use asset	March 31, 2023	March 31, 2022
Opening balance	$ 92,352	$ 104,159
Depreciation	(11,254)	(11,807)
Ending balance	$ 81,098	$ 92,352

(b) Lease liability	March 31, 2023	March 31, 2022
Opening balance	$ 90,669	$ 80,110
Interest expense	11,410	10,559
Accruals and payments	(10,000)	--
Ending balance	$ 92,079	$ 90,669

Maturity analysis – contractual undiscounted cash flows:

	March 31, 2023	March 31, 2022
Less than one year	$ 28,000	$ 10,000
One to five years	99,500	87,700
More than five years	--	39,800
Total	127,500	137,500
Effect of discounting	(35,421)	(46,831)
Total lease liabilities	92,079	90,669
Less: current portion	18,300	10,000
Long-term lease liabilities	$ 73,779	$ 80,669

10. Share Capital

In connection with the GRM RTO (Note 2 (ii)), certain share exchange ratios and Share-Consolidations were effected. All share and value per share amounts in the Financial Statements have been updated to reflect the exchange ratios and Share-Consolidations.

As at March 31, 2023, the Company's share capital consisted of the following:

(a) Authorized: Unlimited common shares.

(b) Issued and outstanding: 48,542,600 common shares (March 31, 2022 - 43,968,530).

During the year ended March 31, 2023:

On November 4, 2022, the Company completed a private placement with the issuance of 3,087,500 units for $0.20 per unit for gross proceeds of $617,500. Each unit consists of one Company common share and one-half of a non-transferable warrant exercisable at $0.30 per share for 24 months after closing. A Zodiac Gold Director subscribed for $7,500 for this private placement (refer to Note 11).

In January 2023, the Company amended the November 2022 financing terms due to challenging market conditions for its current financing. The amended terms included a unit price of $0.135 and one whole warrants with an exercise price of $0.185 with no other changes. This resulted in additional 1,486,570 common shares and 3,030,320 share purchase warrants issued. These changes to the share purchase warrants are treated as a modification. Refer to Note 10 (d) for further details.

During the year ended March 31, 2022:

In May 2021, Gem Rocks issued 150,000 shares for subscriptions received before Dec 31, 2019, for $150,000.

On November 30, 2021, Zodiac Gold and Gem Rocks completed the GRM RTO. For accounting purposes, the Company issued 21,463,659 common shares for control of Zodiac Gold. Refer to Notes 2(ii) and Note 11 for the related party transactions related to this transaction.

On December 14, 2021, certain officers and creditors of the Company agreed to settle $223,644 owing to them by the Company for 1,596,544 common shares. For accounting purposes, the common shares were valued at $0.1017 with $162,369 allocated to share capital and $61,275 to statement of loss on settlement. The fair value of the common shares was estimated based on the most recent price of the common shares issued for cash in private placements. Refer to Note 11 for the related party transactions related to this settlement.

On January 10, 2022, Zodiac Gold completed a financing with the issuance of 847,500 units at a price of C$0.18 per unit for gross proceeds of $120,443 (C$152,500) with the cash received prior to the GRM RTO. Each unit consists of one common share of the Company and one non-transferable warrant exercisable at C$0.24 per share for 24 months after closing. At the GRM RTO, the Company valued the subscribed shares with allocation of values to the common share and share purchase warrant. The Company valued each common share at $0.1017 (refer to Note 2(ii)(c)) for a total of $86,191 and each share purchase warrant at $0.0404 for a total of $34,239 (refer to Note 2 (ii)(d)).

On March 18, 2022, the Company completed a private placement with the issuance of 350,001 units at a price of C$0.18 per unit for gross proceeds of $49,138 (C$63,000) and 379,150 units at a price of $0.14 per unit for gross proceeds of $53,081. Each C$ unit consists of one common share of the Company and one non-transferable warrant exercisable at C$0.24 per share for 24 months after closing. Each US$ unit consists of one Company common share and one non-transferable warrant exercisable at $0.185 per share for 24 months after closing. The Company recognized fair values for US$ derivative liability of $14,809 and the share purchase warrants of $13,926 with a reduction the share capital for these fair values (refer to Note 10 (d)). A Zodiac Gold Director subscribed for $28,000 for this private placement (refer to Note 11).

(c) Subscribed shares

As at March 31, 2023, the Company had $193,060 (March 31, 2022 - $5,085) in share subscriptions. Included in the March 31, 2023, balance is $138,000 for marketing consulting services to be settled with common shares and $49,975 in cash subscriptions.

(d) Warrants

As at March 31, 2023, the company had 28,188,528 (March 31, 2022 - 23,614,458) warrants, comprising of 10,219,207 share purchase warrants and derivative liability warrants of 17,969,321 (March 31, 2022 - 10,219,207 and 13,395,251, respectively).

Expressed in US dollars, unless otherwise stated

Share purchase warrants (C$ Warrants)

As at March 31, 2023, the company had 10,219,207 C$ warrants (March 31, 2022 - 10,219,207). There were no C$ warrants issued for the year ended March 31, 2023.

For the year ended March 31, 2022, the Company issued 9,869,206 C$ warrants in connection with the GRM RTO (Note 2(ii)) with an estimated grant date fair value of $329,288. Included in the GRM RTO C$ warrants were 8,447,557 share purchase warrants; 574,149 finder warrants and 847,500 subscribed warrants. On March 18, 2022, the Company issued 350,001 C$ warrants with an estimated grant date fair value of $13,629. Each warrant entitles the holder to acquire one common share of the Company at a price of C$0.24 per share for a period of 24 months from the date of issuance.

Below is a summary of C$ warrants for the years ended March 31, 2023, and March 31, 2022.

C$ warrants		**USD**
As at March 31, 2021	**$**	**--**
Issued		
GRM RTO - Share purchase warrants		275,413
GRM RTO - Finder warrants		19,636
GRM RTO - Subscribed warrants		34,239
March 18, 2022		13,926
As at March 31, 2022	**$**	**343,214**
As at March 31, 2023	**$**	**343,214**

C$ warrants	**Number of warrants**	**Weighted Avg exercise price**
As at March 31, 2021	**--**	**--**
GRM RTO (Note 2(ii))	9,869,206	C$0.24
Issued - March 18, 2022	350,001	C$0.24
As at March 31, 2022	**10,219,207**	**C$0.24**
As at March 31, 2023	**10,219,207**	**C$0.24**

The Company used the Black-Scholes option pricing model with the following assumptions to calculate the fair values of the C$ warrants for the year ended March 31, 2022:

	Year ended March 31, 2022
Volatility	100%
Expected life (years)	1.06 – 2.11
Risk-free rate	1.63%-2.28%
Dividend yield	0%

US$ Derivative liability - warrants

As at March 31, 2023, the Company had 17,969,321 US$ warrants (March 31, 2022 - 13,395,251). The fair values of warrants with an exercise price denominated in a currency different than Zodiac Gold's functional currency are recorded as derivative liabilities on their dates of issuance, with subsequent changes in fair value during each ensuing reporting period until the warrants expire, are exercised, or are cancelled being recognized through profit or loss. The fair values of these warrants are determined using the Black Scholes option pricing model. When these warrants are exercised, the fair value of the recorded warrant liability is reclassified to share capital on the date of issuance of the underlaying shares.

On November 4, 2022, the Company issued 1,543,750 US$ warrants with an exercise price of $0.30 per share for 24 months from the date of issuance. Subsequent to the financing (refer to Note 10 (b)), the terms were changed to entitle the holder to acquire one common share of the Company for $0.185 per share for 24 months from the date of issuance. As a result, the Company issued an additional 3,030,320 US$ warrants for a total of 4,574,070. The change in terms is recognized as a modification. The Company revalued the November 2022 US$ warrants modification on January 25, 2023, for a revised fair value of $124,427, which was recognized as share issuance costs for the modification.

Expressed in US dollars, unless otherwise stated

For the year ended March 31, 2022, the Company issued 13,016,101 US$ warrants in connection with the GRM RTO (Note 2(ii)) and issued 397,150 US$ warrants on March 18, 2022. Each warrant entitles the holder to acquire one common share of the Company at a price of $0.185 per share for a period of 24 months from the date of issuance. The Company revalued all the outstanding Zodiac Gold US$ warrants as at March 31, 2023, and recognized a reduction in the liability of $381,550 (March 31, 2022 - $65,623).

Derivative liability - warrants		**March 31, 2023**	**March 31, 2022 (unaudited)**
Opening balance	$	384,220	--
GRM RTO (Note 2(ii))		--	435,034
Additions		106,602	14,809
Modification		124,427	--
Revaluation		(381,550)	(65,623)
Ending balance	$	233,699	384,220

The Company used the Black-Scholes option pricing model with the following assumptions to calculate the fair values of the derivative liability:

	For the year ended March 31, 2023	**For the year ended March 31, 2022**
Volatility	100%	100%
Expected life (years)	0.06 - 1.60	1.06 – 2.00
Risk-free rate	4.06% - 4.94%	1.63% - 2.28%
Dividend yield	0%	0%

The Company’s derivate liability warrant continuity schedule as at March 31, 2023, and March 31, 2022, is as follows:

US dollar warrants	**Number of warrants**	**Weighted average exercise price (US$)**
As at March 31, 2021	**--**	**--**
GRM RTO (Note 2(ii))	13,016,101	$0.185
Issued	379,150	$0.185
As at March 31, 2022	**13,395,251**	**$0.185**
Issued – post repricing	4,574,070	$0.185
As at March 31, 2023	**17,969,321**	**$0.185**

As at March 31, 2023, the following warrants were outstanding:

Number of warrants outstanding	**Exercise price**	**Weighted Average remaining contractual life**	**Expiry date**
2,828,575	US$0.185	0.06	21-Apr-2023
1,251,815	US$0.185	0.08	30-Apr-2023
1,096,000	C$0.24	0.08	30-Apr-2023
2,976,556	C$0.24	0.33	30-Jul-2023
3,971,427	US$0.185	0.33	30-Jul-2023
419,038	C$0.24	0.33	30-Jul-2023
3,500,000	C$0.24	0.42	02-Sep-2023
124,000	C$0.24	0.42	02-Sep-2023

Expressed in US dollars, unless otherwise stated

Number of warrants outstanding	Exercise price	Weighted Average remaining contractual life	Expiry date
4,964,284	US$0.185	0.54	15-Oct-2023
875,001	C$0.24	0.54	15-Oct-2023
31,111	C$0.24	0.54	15-Oct-2023
847,500	C$0.24	0.78	10-Jan-2024
350,001	C$0.24	0.97	18-Mar-2024
379,150	US$0.185	0.97	18-Mar-2024
4,574,070	US$0.185	1.60	04-Nov-2024
28,188,528		0.57	

(e) Share-based compensation ("Stock Options")

The Company has established an omnibus equity incentive plan ("Omnibus Plan") which allows the Board of Directors to grant stock options to directors, officers, employees, or consultants in order to align the grant-recipients interests more closely with those of shareholders. Pursuant to the Omnibus Plan , the Company has been authorized to grant stock options of up to ten percent (10%) of the number of common shares issued and outstanding. Stock options granted are subject to a maximum term of ten years from the date of grant. The exercise price of a stock option must be determined in accordance with the Omnibus Plan . Stock options vest at the time the stock options are granted unless determined otherwise by the Board of Directors, other than stock options granted to consultants performing investor relations activities, which vest in stages over twelve months with no more than one quarter vesting in any three-month period.

The Company granted 2,650,000 Stock Options for the year ended March 31, 2023 (March 31, 2022 - Nil). Connected with the November 2022 refinancing (refer to Note 10(b)), the Company modified the July and August 2022 share-based compensation arrangements by changing the exercise price. The Company modified the exercise price from $0.20 to $0.14 (C$0.25 to C$0.18) to align the terms with prevailing market conditions and maintain the motivation and retention of key personnel. The decision was made after assessing market conditions and reviewing the terms of the instruments. The Company measured the modification incremental fair value of both the modified share-based payment and that of the original share-based payment, at the date of the modification. The incremental increase in the fair value modification was immaterial. The modified arrangement was measured using the Black-Scholes option pricing model. Below are the details of the Stock Option grants for the year ended March 31, 2023.

	Options	Weighted Average exercise price	Fair value
Balance March 31, 2022	--	--	--
Options granted - April 1, 2022	2,000,000	0.14	183,148
Options granted - July 5, 2022	450,000	0.14	68,031
Options granted - August 10, 2022	200,000	0.14	30,750
Balance March 31, 2023	2,650,000	$ 0.14	$ 281,929

The Company used the Black-Scholes option pricing model using the following assumptions, based on the original terms, to calculate the fair values of the shared-based payments:

	As at March 31, 2023
Share price	$0.10 - $0.17 (C$0.18 - C$0.25)
Volatility	100%
Expected life (years)	10
Risk free rate	2.44% - 3.08%
Dividend Yield	0%

Expressed in US dollars, unless otherwise stated

The Company Stock Options outstanding and exercise as at March 31, 2023, is as follows:

Options outstanding and exercisable			
Number outstanding	**Weighted average exercise price**	**Weighted average remaining life**	**Expiry date**
2,000,000	$0.14/C$0.18	9.01	01-Apr-2032
450,000	$0.14/C$0.18	9.27	05-Jul-2032
200,000	$0.14/C$0.18	9.37	10-Aug-2032
2,650,000	$0.14/C$0.18	9.08	

11. Related Party Payables and Transactions

Related Party services & fees

	For the year ended			
		March 31, 2023		**March 31, 2022 (unaudited)**
Services rendered incurred (viii):				
Management fees & expenses (i – iv)	$	157,747	$	85,164
Services rendered (vi)		(21,445)		--
Share-based compensation (vii)		205,913		--
	$	342,215	$	85,164

Related Party payables & receivables

		March 31, 2023		**March 31, 2022**
Balances payable (viii):				
Management fees (i - iv)	$	155,442	$	81,805
Advances payable (i)		222,150		2,000
		377,592		83,805
Balance receivable (viii):				
Director receivable (v)	$	--	$	28,000

Related parties' transactions:

(i) For the year ended March 31, 2023, the Company incurred $120,000 (year ended March 31, 2022 - $60,000) to the Company's Chief Executive Officer (CEO) for management fees of Zodiac Gold and Gem Rocks. As at March 31, 2023, the Company owed the CEO $344,514 (March 31, 2022 - $80,578). Included in the payables were cash advances of $222,150 from the CEO to Gem Rocks. The Company issued 625,000 stock options to the CEO on April 1, 2022, with a fair value of $56,250. In relation to the GRM RTO (refer to Note 2(ii)), the Company's CEO held 6,350,697 common shares. During the year ended March 31, 2022, the Company and the CEO agreed to settled payables of $45,000 for 321,428 shares (refer to Note 10(b)). Subsequent to March 31, 2023, the Company and the CEO agreed to settle payables of $199,125 for 1,475,000 shares (refer to Note 16).

(ii) For the year ended March 31, 2023, the Company incurred $6,000 (year ended March 31, 2022 - $nil) for VP of Exploration services to a consultant. As March 31, 2023, the Company owed the VP of Exploration $3,000 (March 31, 2022 - $nil). In relation to the GRM RTO (refer to Note 2(ii)), the VP of Exploration held 187,504 common shares.

(iii) For the year ended March 31, 2023, the Company incurred $31,747 (year ended March 31, 2022 - $11,579) for Interim CFO and bookkeeping services to a consultant. As at March 31, 2023, the Company owed the consultant $18,078 (March 31, 2022 - $3,227). The Company issued 100,000 stock options to the consultant on April 1, 2022, with a fair value of $9,000. In relation to the GRM RTO (refer to Note 2(ii)), the consultant held 300,007 common shares. During the year ended March 31, 2022, the Company and the consultant agreed to settle payables of $81,277 for 580,000 Zodiac Gold common shares (Note 10). Subsequent to March 31, 2023, the Company and the consultant agreed to settle payables of $12,708 for 96,293 shares (refer to Note 16).

Expressed in US dollars, unless otherwise stated

(iv) For the period from December 2021 to February 2022 (post GRM RTO), Zodiac Gold incurred $13,585 for management fees to the Company's previous Chief Executive Officer ("Prior CEO"). During the year ended March 31, 2022, Zodiac Gold and the Prior CEO agreed to settle payables of $23,355 for 166,666 common shares (refer to Note 10). For the year ended March 31, 2022, the Prior CEO resigned and as at March 31, 2022, there was no payable owed to the Prior CEO.

(v) A Zodiac Gold Director subscribed $7,500 for the November 4, 2022, financing (March 31, 2022 - $28,000). As at March 31, 2023, the Company had a payable to a Director of $12,000 for expenses incurred. Subsequent to March 31, 2023, the Company and the Director agreed to settle the $12,000 payables for 88,888 shares (refer to Note 16).

(vi) The Company's subsidiary entered into a cost-sharing agreement with a Liberian exploration company whereby Gem Rocks shares its offices, services, and other expenses. The Liberian exploration company has a director in common with Gem Rocks. The six-month agreement commenced on December 1, 2022, with a refundable deposit of $25,000, and a monthly payment of $12,500 due on the first of each month. At the end of the term, unless the agreement is extended, a reconciliation is conducted to determine if any payments are owed to or by the Company based on their share of the expenses. For the year ended March 31, 2023, the Company recognized a reduction of $21,445 in exploration and evaluation expenses and had a receivable of $33,555. On March 31, 2023, the Company deemed the amounts receivable not recoverable and wrote-off the receivable of $33,555 and recorded a recovery of the $25,000 refundable (liability) deposit. Refer to Note 5 h) for further details.

(vii) The Company granted Director and officers, including the stock options above, the following stock options,

- 1,700,000 stock options on April 1, 2022, with a fair value of $153,000; and
- 350,000 stock options on July 5, 2022, with a fair value of $52,913.

Refer to Note 10(e) for further details including assumptions.

(viii) These transactions were in the normal course of business and are recorded at their exchanged amounts that were established and agreed to by the related parties. The balances payable is included in accounts payable and accrual liabilities and are unsecured and non-interest bearing.

12. Financial Instruments

Fair values

The carrying values of cash and accounts payable and accrued liabilities approximated their fair values because of the short-term nature of these financial instruments. The classifications of the financial instruments are shown in the table below:

As at March 31, 2023		**Loans and receivables**		**Other financial liabilities**		**Fair value through profit or loss**
Cash	$	17,458	$	--	$	--
Accounts payable and accrued liabilities		--		929,881		--
Derivative liability - warrants		--		--		233,699
	$	17,458	$	929,881	$	223699
As at March 31, 2022						
Cash	$	42,839	$	--	$	--
Accounts payable and accrued liabilities		--		307,565		--
Derivative liability - warrants		--		--		384,220
	$	42,839	$	307,565	$	384,220

The only financial instrument the Company measures at fair value is the derivative liability which is classified as level three within the fair value hierarchy. The continuity of level 3 instruments is shown below:

Derivative liability - warrants		**March 31, 2023**		**March 31, 2022 (unaudited)**
Opening balance	$	384,220	$	--
GRM RTO (Note 2 (ii))		--		435,034
Additions – November 2022		106,602		14,809
Nov 2022 - Modification		124,427		--
Revaluation		(381,550)		(65,623)
Ending balance	$	233,699	$	384,220

The fair value of derivative liability was estimated using the Black-Scholes option pricing model. The assumptions used in that model are outlined in Note 10 (d). The significant unobservable input used in that model is the estimated share price of the Company. The Company's shares do not trade on an active market and as a result the share price was estimated using a recent transaction in which the Company completed a private placement for cash. As at March 31, 2023, a 10% increase or decrease in the estimated fair value of the common shares of the Company would result in an increase or decrease of $26,147 (March 31, 2022 - $74,668), respectively.

Management of financial risk

The Company's financial instruments are exposed to certain financial risks including currency, credit, and liquidity risks.

Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and Liberia and its presentation currency is the United States dollar. The Company incurred foreign denominated expenses in British Pounds ("GBP"), and Canadian Dollars ("C$"). A significant change in the currency exchange rates between the functional currencies relative to these currencies could have an effect on the Company's results of operations. The Company has not hedged its exposure to currency fluctuations.

The Company is exposed to currency risk through the following assets and liabilities denominated in GBP and C$:

As at March 31, 2023		**C$**		**GBP**
Cash and cash equivalents	$	7,150	£	--
Accounts payable and accrued liabilities		(373,944)		(9,043)
	$	(366,794)	£	(9,043)
As at March 31, 2022				
Cash and cash equivalents	$	33,785	£	--
Accounts payable and accrued liabilities		(60,195)		(9,912)
	$	(26,410)	£	(9,912)

Based on the above net exposure as at March 31, 2023, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the United States dollar against these currencies would result in a $26,563 (March 31, 2022 – immaterial) decrease/increase in the Company's consolidated statement of loss and comprehensive loss per annum.

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. Credit risk arises from cash and cash equivalents held with banks. The Company's cash and cash equivalents are held through Canadian banks and Liberian banks. The amounts held in Liberian banks are limited to approximately 30 days working capital of the Liberian operations.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with the financial liabilities. Zodiac Gold has a planning and budget process in place by which it anticipates and determines the funds necessary to support normal operation requirements and development of its mineral property interests for exploration stage enterprises. The

Expressed in US dollars, unless otherwise stated

Company's investment procedures are to invest its cash in highly liquid short-term interest-bearing investments with maturities greater than 90 days from the original date of acquisition, selected concerning the expected timing of expenditures from continuing operations. The Company ensures that sufficient funds are raised from debt, debentures, private placements, or other sources to meet its operating requirements, after taking into account existing cash.

Zodiac Gold manages liquidity risk through the management of its capital structure as described in Note 13. As at March 31, 2023, the Company had cash of $17,458 (March 31, 2022 - $42,839) to settle accounts payable and accruals of $929,881 (March 31, 2022 - $307,565). The Company estimates that it does not have available funds to meet requirements for the coming twelve months based on current planned expenditures for operations and will need to raise additional financing in order to continue its planned operations (refer to Notes 1,2 and 14). The undiscounted cash flows of accounts and lease liabilities:

	Carrying amount	Contractual cash flows	< 1 year	1-5 years	> 5 years
Accounts payable	$ 929,881	$ 929,881	$ 929,881	$ --	$ --
Lease liability	92,079	127,500	28,000	99,500	--

13. Management of Capital & Commitments

Management of Capital

Zodiac Gold's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the exploration and evaluation of its mineral properties and to maintain a flexible capital structure, which optimizes the cost of capital at an acceptable risk (refer to Note 1). In the management of capital, the Company includes the components of equity attributable to common shareholders. The Company manages the capital structure and adjusts 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 attempt to issue new shares, issue debt, and acquire or dispose of assets. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on a range of factors, including successful capital deployment and general industry conditions. The CEO reviews the annual budgets. There were no changes to the management of capital by the Company during the years ended March 31, 2023, and March 31, 2022.

Commitments

For the year ended March 31, 2023 and 2022, the Company had an existing arrangement with its CEO for consulting services for a monthly fee of $7,500, with the Company able to terminate this arrangement with 30 days' notice. If the Company terminates this arrangement without cause with 30 days' notice, in addition to paying prior amounts owing, it is obligated to pay this party a lump sum payment equal to six months ($45,000) of the CEO's average monthly fees over the previous year. Refer to Note 12 for lease liability commitments schedule.

14. Income Tax

a) Provision of income taxes: The reconciliation of the combined federal and provincial statutory income tax rate of 27% (March 31, 2022 – 27%) to the effective tax rate is as follows:

	March 31, 2023	March 31, 2022 (unaudited)
Net loss for the year	$ (1,412,615)	$ (2,786,534)
Expected income tax recovery based on statutory rate	$ (381,000)	$ (752,364)
Adjustment to expected income tax recovery:		
Share based compensation	76,000	--
Change in benefit on tax assets not recognized	400,000	194,159
Expenses not deductible for tax purposes	(95,000)	558,206
Income tax expense	$ --	$ --

Expressed in US dollars, unless otherwise stated

b) Deferred Income Tax: No deferred tax assets are recognized on the following temporary differences, as it is not probable that sufficient future taxable profit will be available to utilize such differences.

		March 31, 2023		**March 31, 2022 (unaudited)**
Non-capital loss carry forwards – Canada	$	1,141,000	$	741,000
Total	$	1,141,000	$	741,000

The non-capital tax losses in Canada expire from 2040 to 2043.The Company has available tax losses incurred in foreign jurisdictions which can be deducted from taxable income of future years in those jurisdictions.

15. Geographical segment information

The Company's activities are all in the one industry segment of mineral property acquisition, exploration and development which represents information provided to the chief operating decision makers. Following is a summary of net loss and non-current assets by geographical segment:

		Canada		**Liberia**		**Total**
For the year ended March 31, 2023						
Net loss	$	(627,634)	$	(784,981)	$	(1,412,615)
As at March 31, 2023						
Total non-current assets		--		126,906		126,906

		Canada		**Liberia**		**Total**
For the year ended March 31, 2022						
Net loss	$	(892,514)	$	(1,894,020)	$	(2,786,534)
As at March 31, 2022						
Total non-current assets		--		155,331		155,331

16. Subsequent Events

Subsequent to March 31, 2023:

(a) Financing

On May 5, 2023, the Company completed a private placement with the issuance of 416,666 C$ units at a price of C$0.18 per unit for gross proceeds of $55,082 (C$75,000) and 3,074,777 US$ units at a price of $0.135 per unit for gross proceeds of $415,095. Each C$ unit consists of one common share of the Company and one-half of a non-transferable warrant exercisable at C$0.24 per share for 24 months after closing. Each US$ unit consists of one Company common share and one-half of a non-transferable warrant exercisable at $0.185 per share for 24 months after closing.

(b) Shared-based compensation

The Company granted the following stock options which vested on grant date:

- 300,000 stock options on April 4, 2023, with an exercise price of C$0.18 and a term of 10 years;
- 100,000 stock options on April 28, 2023, with an exercise price of C$0.18 and a term of 2 years;
- 300,000 stock options on May 2, 2023, with an exercise price of C$0.18 and a term of 3 years; and
- 2,450,000 stock options on July 18, 2023, with an exercise price of C$0.18 for a term of 10 years and 265,000 stock options with an exercise price of C$0.18 for a term of 5 years.

(c) Related parties' payable settlement

The Company and certain Directors and officers of the Company agreed to settle $211,125 payables for 1,563,888 common shares of the Company, settle $57,011 (C$77,280) payables for 296,263 common shares of the Company and the CEO forgave $67,500 in payables.

(d) Warrant modification

In April 2023, the Company amended the April 21, April 30, July 30, September 02, and October 15, 2021, share purchase warrant expiry dates (refer to Note 10). These share purchase warrants had 24 months terms and were set to expire in 2023. The Company amended the expiry date of these issued share purchase warrants issued to the later of (i) the original expiry date as set out in the warrant certificates and (ii) 6 months following the date that the Company completes a public listing on a recognized stock exchange.

(e) Atlas One Proposed Transaction – terminated.

In November 2022 the Company signed a binding letter of intent (“Atlas LOI”) with Atlas One Capital Corporation (“Atlas One”), a capital pool company listed on the TSX-V, in respect of a proposed business combination transaction (“Proposed Transaction”). The Atlas LOI contemplated that Zodiac Gold and Atlas One would negotiate and enter into a definitive agreement in respect of the Proposed Transaction on or before November 30, 2022. Pursuant to the Atlas LOI it is anticipated that Atlas One would acquire all of the issued and outstanding Zodiac Gold common shares (the “Zodiac Shares”), and shareholders of Zodiac Gold would receive Atlas One common shares in exchange for their Zodiac Shares. On June 5, 2023, the Proposed Transaction was terminated by both parties with no further obligations to both parties.

ZODIAC GOLD INC.
(an exploration stage company)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
UNAUDITED

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

Expressed in US dollars

ZODIAC GOLD INC.
(an exploration stage company)
Condensed Interim Consolidated Statement of Financial Position - unaudited
Expressed in US Dollars, unless otherwise stated

	Notes	June 30, 2023	March 31, 2023
Assets			
Current assets			
Cash		$ 75,893	$ 17,458
Prepaid expenses and amounts receivable		139,380	113,188
		215,273	130,646
Property and equipment		42,214	45,808
Right of use assets	7	78,284	81,098
Total assets		335,771	257,552
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	8,10	417,591	929,881
Lease liabilities	7	18,800	18,300
Derivative liability - warrants	9(d)	553,881	233,699
		990,272	1,181,880
Long-term payables	8	159,848	--
Lease liabilities	7	76,173	73,779
Total liabilities		1,226,293	1,255,659
Equity			
Share capital	9	7,829,588	7,460,208
Share subscriptions	9(c)	166,492	193,060
Contributed surplus	9(e)	341,466	281,929
Warrants	9(d)	348,045	343,214
Accumulated other comprehensive income		31,927	42,942
Deficit		(9,608,040)	(9,319,460)
		(890,522)	(998,107)
Total liabilities and equity		$ 335,771	$ 257,552
Nature of operations and going concern	1		
Reverse takeover transactions	2		
Commitments	12		
Subsequent events	2,14		

Approved on behalf of the Board

"Graham C. Warren"
Director

"Mark Kol"
Director

ZODIAC GOLD INC.

(an exploration stage company)

Condensed Interim Consolidated Statement of Loss and Comprehensive Loss - unaudited

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

Expressed in US dollars, unless otherwise stated

	Notes		For the three months ended June 30, 2023		2022
Expenses					
Exploration and evaluation costs	6,7	$	212,831	$	339,008
Investor and shareholder communications			19,615		28,366
Management consulting fees and expenses	10		55,199		35,289
Office and administration			22,003		5,991
Professional fees			16,575		32,337
Share based payments	9(e)		59,537		183,148
Arrangement Agreement costs	2(i)		15,585		--
Loss before other items			(401,345)		(624,139)
Other income (expense)					
Bad debts	10		(27,500)		--
Foreign exchange gain			2,611		6,182
Fair value change on derivative liability	9(d)		14,076		60,417
Interest expense – lease liability	7		(2,894)		(2,844)
Accretion expense	8		58,972		--
Settlement of payables	10		67,500		--
Net loss for the period		$	(288,580)	$	(560,384)
Other comprehensive income					
Items that are or may be reclassified to net income or (loss):					
Currency translation adjustment of foreign subsidiary			11,015		3,177
Other Comprehensive income			11,015		3,177
Net loss and comprehensive loss		$	(277,565)	$	(557,207)
Loss per share, basic and diluted		$	(0.01)	$	(0.01)
Weighted average number of common shares used in the calculation of loss per share – basic and diluted			50,758,675		43,968,530

ZODIAC GOLD INC.

(an exploration stage company)

Condensed Interim Consolidated Statement of Changes in Shareholders Equity – unaudited

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

Expressed in US dollars, unless otherwise stated

	Common Shares					Accumulated		
	Shares	Amount	Warrants	Shares Subscriptions	Contributed Surplus	other comprehensive income	Deficit	Shareholders' Deficiency
Balance, March 31, 2023	**48,542,600**	**$ 7,460,208**	**$ 343,214**	**$ 193,060**	**$ 281,929**	**$ 42,942**	**$ (9,319,460)**	**$ (998,107)**
Private placement (Note 9 (b))	3,491,443	470,177	--	(49,975)	--	--	--	420,202
Derivative liability – warrants	--	(61,496)	--	--	--	--	--	(61,496)
Share purchase warrants	--	(4,831)	4,831	--	--	--	--	--
Share issuance costs	--	(4,381)	--	--	--	--	--	(4,381)
Creditor settlement (Notes 9 and 10)	1,660,151	223,833	--	--	--	--	--	223,833
Share subscriptions	--	--	--	23,407	--	--	--	23,407
Warrant modification (Note 9 (d))	--	(272,762)	--	--	--	--	--	(272,762)
Consulting expense	140,000	18,840	--	--	--	--	--	18,840
Share based payments (Note 9 (e))	--	--	--	--	59,537	--	--	59,537
Currency translated adjustment	--	--	--	--	--	(11,015)	--	(11,015)
Net loss for the period	--	--	--	--	--	--	(288,580)	(288,580)
Balance, June 30, 2023	**53,834,194**	**$ 7,829,588**	**$ 348,045**	**$ 166,492**	**$ 341,466**	**$ 31,927**	**$ (9,608,040)**	**$ (890,522)**

	Common Shares					Accumulated		
	Shares	Amount	Warrants	Shares Subscriptions	Contributed Surplus	other comprehensive income	Deficit	Shareholders' Deficiency
Balance, March 31, 2022	**43,968,530**	**$ 7,075,023**	**$ 343,214**	**$ 5,085**	**$ --**	**$ 5,506**	**$ (7,906,845)**	**$ (478,017)**
Share subscriptions (Note 9 (c))	--	--	--	307,955	--	--	--	307,955
Share based payments (Note 9 (e))	--	--	--	--	183,148	--	--	183,148
Currency translated adjustment	--	--	--	--	--	(3,177)	--	(3,177)
Net loss for the period	--	--	--	--	--	--	(560,384)	(560,384)
Balance, June 30, 2022	**43,968,530**	**$ 7,075,023**	**$ 343,214**	**$ 313,040**	**$ 183,148**	**$ 2,329**	**$ (8,467,229)**	**$ (550,475)**

ZODIAC GOLD INC.
(an exploration stage company)
Condensed Interim Consolidated Statement of Cash Flows - unaudited
For the three months June 30, 2023, and 2022
Expressed in US dollars, unless otherwise stated

	Notes		For the three months ended June 30, 2023		2022
Cash flows provided by (used for) operating activities					
Net loss for the period		$	(288,580)	$	(560,384)
Items not involving cash					
Amortization and depreciation	7		6,408		6,931
Bad debts	10(vi)		27,500		--
Fair value change on derivative liability	9(d)		(14,076)		(60,417)
Payables forgiveness	10(i)		(67,500)		--
Interest expense – lease liability	7		2,894		2,844
Accretion expense	8		(58,972)		--
Share based payments	9(e)		59,537		183,148
Unrealized foreign exchange loss			(2,611)		(6,182)
Changes in operating assets and liabilities					
Accounts payable and accrued liabilities			8,298		28,717
Amounts receivable and prepaid expenses			(53,691)		29,043
			(380,793)		(376,300)
Cash flows provided by (used for) financing activities					
Private placements – net proceeds	9(b)		415,821		--
Related parties advances			--		66,050
Share subscriptions	9(c)		23,407		307,955
			439,228		374,005
FX on cash balances			--		--
Increase (decrease) in cash and cash equivalents			58,435		(2,295)
Cash, beginning of the period			17,458		42,839
Cash, end of the period		$	75,893	$	40,544
Supplemental cash flow information					
Share purchase warrants fair value	9(d)	$	4,831	$	--
Issuance of shares for settlement of payables	9(b)		242,673		--

1. Nature of Operations and Going Concern

Zodiac Gold Inc. ("Zodiac Gold" or the "Company") was incorporated on May 26, 2020, under the British Columbia Business Corporations Act. The address of the Company's corporate office is Suite 3606 - 833 Seymour Street, Vancouver, British Columbia, Canada.

On November 30, 2021, Zodiac Gold, and Gem Rocks Mining Resources Inc. ("Gem Rocks") completed a reverse takeover with the result being that the current shareholders of Gem Rocks would then control the consolidated entity (refer to Note 2(i)). Gem Rocks was incorporated on December 7, 2011, under the Liberian Business Corporations Act. Gem Rocks holds the Todi Property exploration license located in the Republic of Liberia ("Liberia").

Zodiac Gold is a mineral exploration company focused on the identification, acquisition, exploration, development and/or sale of precious mineral resource properties in Liberia. The Company's major mineral property interest is the Todi Property.

The Company has not yet determined whether its exploration and evaluation property contains mineral reserves that are economically recoverable. The continued operations of the Company is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of such properties and upon future profitable production or proceeds from the disposition of such properties.

These condensed interim consolidated financial statements ("Interim Financial Statements") are prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. For the three months ended June 30, 2023, the Company incurred a net loss totaling \$288,580 (three months ended June 30, 2022, net loss - \$560,384) and as at June 30, 2023, had an accumulated deficit of \$9,608,040 (March 31, 2023, deficit – \$9,319,460) and a working capital deficit of \$774,999 (March 31, 2023, deficit - \$1,051,234).

Based on the Company's financial position as at June 30, 2023, the available funds are not considered adequate to meet requirements for the estimated operations and exploration expenditures in the coming twelve-month period. These requirements may be adversely impacted by an absence of available financing for private mineral exploration companies. To address its financing requirements, the Company will seek financing through, but not limited to: mergers, acquisition, debt financing, stock exchange transactions, strategic alliances, joint-ventures, and optioning its mineral properties (refer to Note 2). However, there is no assurance that such financing will be available. These events and conditions indicate that material uncertainties exist that cast significant doubt on the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for these Interim Financial Statements, then adjustments may be necessary to the carrying values of assets, liabilities, the reported income and expenses and the balance sheets classifications used. Such adjustments could be material.

2. Corporate transactions

(i) Plan of arrangement – 1329306 B.C. Ltd. and Zodiac Gold Reverse Takeover

On June 20, 2023, 1329306 B.C. Ltd. (the "ShellCo") and Zodiac Gold entered into a binding letter of intent (the "Letter of Intent") in respect of the proposed transaction (the "PUB-RTO") pursuant to which they agreed to proceed with the PUB-RTO. Subsequently, ShellCo and Zodiac Gold entered into an arrangement agreement dated August 15, 2023 (the "Arrangement Agreement"), which superseded and replaced the Letter of Intent. Pursuant to the Arrangement Agreement, the PUB-RTO will proceed by way of a plan of arrangement pursuant to which ShellCo will acquire Zodiac Gold in exchange for common shares of ShellCo (the "Arrangement"). Pursuant to the Arrangement, it is anticipated that (i) each common share of ShellCo ("ShellCo Share"), after giving effect to the ShellCo Share Reorganization (as defined below), will be exchanged for one common share of Zodiac Gold (a "Zodiac Share") at a deemed issue price of Canadian dollars (C\$) C\$0.18 per share and (ii) each outstanding warrant and option to acquire a Zodiac Share will exchanged for one warrant or option to acquire a ShellCo Share at the same price and on the same terms and conditions. Following closing of the PUB-RTO, Zodiac Gold will be a wholly-owned subsidiary of ShellCo and will continue the business of Zodiac Gold under the name Zodiac Gold Corp. (the "Resulting Issuer").

Prior to completion of the PUB-RTO, ShellCo will complete a reorganization of its share capital based on a ratio that will have the effect of consolidating the current outstanding ShellCo Shares on a 14:1 basis (the "ShellCo Share Reorganization").

Expressed in US dollars, unless otherwise stated

Upon completion of the PUB-RTO, it is anticipated that the Resulting Issuer will be listed as a Tier 2 mining issuer on the TSX Venture Exchange (the "TSX-V"), with Zodiac Gold as its primary operating subsidiary. Subsequent to June 30, 2023, the ShellCo and the Company entered into two promissory notes pursuant to which ShellCo agreed to loan up to C$250,000 in amounts requested by Zodiac Gold from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum. The first promissory note of $74,251 (C$100,000) issued on August 3, 2023, will be repayable on February 3, 2024 and the second promissory note of $109,369 (C$150,000) issued on October 19, 2023, will be repayable on February 19, 2024. Zodiac Gold may repay the promissory notes by the due dates or at such earlier date without penalty. If Zodiac Gold fails to repay any amount owing under the promissory note when due it will be converted into shares of Zodiac Gold at a price of C$0.18 per share.

(ii) Reverse Takeover Transaction – Zodiac Gold Inc. and Gem Rocks

On November 30, 2021, the Company completed a reverse takeover transaction (the "GRM RTO"). The transaction was implemented by way of a Share Exchange Agreement ("SEA"). Under the terms of the SEA, each Gem Rocks shareholder exchanged 1.3333 Gem Rocks shares for one common share of Zodiac Gold. The GRM RTO was completed with Zodiac Gold issuance of 19,331,676 common shares to Gem Rocks shareholders, representing 99.74% of all of the issued and outstanding Gem Rocks common shares. In substance, the transaction involves Gem Rocks' shareholders obtaining control of Zodiac Gold.

For accounting purposes, immediately prior to and in connection with the GRM RTO, Gem Rocks effected a share consolidation (the "Share-Consolidation") of its common shares on a basis of one post-Share-Consolidation Zodiac Gold share for every 1.3333 pre-Share-Consolidation Gem Rocks shares. Following the closing of the GRM RTO, the Company consolidated share capital was 40,795,335. Including Zodiac Gold shares purchased by existing Gem Rocks shareholders in Zodiac Gold's financings pre the GRM RTO, Gem Rocks shareholders held 51% of the total fully diluted shares in the consolidated company. The Company has reserved 50,000 (0.26%) common shares on account of shares issuable to one Gem Rocks shareholder, who has not executed the SEA, with a post consolidation fair value of $5,085.

For accounting purposes, the GRM RTO has been presented as the acquisition of Zodiac Gold by Gem Rocks and resulted in the accounting issuance of 21,463,659 common shares, 9,869,206 share purchase warrants, 13,016,101 derivative liability warrants, and 847,500 subscribed shares to Zodiac Gold. The transaction constitutes as an asset acquisition as Zodiac Gold did not meet the definition of a business. The assets acquired and liabilities assumed were recorded at their fair values which are based on management's estimates. As Gem Rocks was deemed to be the accounting acquirer and the continuing business Zodiac Gold's results of operations are included with Gem Rocks from the date of acquisition (November 30, 2021) onwards.

As a result of this asset acquisition, the Company recorded a loss on acquisition of $823,035. This reflects the estimated fair value of GRM RTO shares, share purchase warrants, derivative liability – warrants, subscribed shares, debt conversion and transaction costs less the acquired assets and liabilities of Zodiac Gold.

Consideration paid		
Common shares issued (a)	$	2,163,218
Share purchase warrants (b)		329,288
Derivative liability – warrants (c)		435,034
Zodiac Gold subscribed shares (d)		91,276
Settlement of pre-existing debt (e)		(1,834,573)
Transaction costs (f)		134,476
Total consideration paid	$	1,318,719

Allocation of assets and liabilities		
Current assets	$	755,901
Accounts payables		(260,217)
	$	495,684
Loss on acquisition	$	823,035

Expressed in US dollars, unless otherwise stated

(a) The fair value of the shares issued was based on the price of each common share of Zodiac Gold pursuant to a non-brokered private placement prior to November 30, 2021. Each common share was valued at $0.1017 after the fair value allocation of the unit price to common shares and warrants. The number of shares allocated to Zodiac Gold was 21,463,659 for a value of $2,182,854. This amount was reduced by the finder warrants fair value of $19,636. Prior to the GRM RTO, Zodiac Gold issued the following common shares and share purchase warrants which were included in the fair value calculation of Zodiac Gold's common shares.

- One common share on Zodiac Gold's incorporation.
- On April 21, 2021, Zodiac Gold issued 2,828,575 units at a price of $0.14 per unit. Each unit includes one common share and one share purchase warrant of Zodiac Gold with each warrant exercisable into one common share for an exercise price of $0.185 until April 21,2023.
- On April 30, 2021, Zodiac Gold issued 1,096,000 units at a price of C$0.18 per unit (C$ Unit) and 1,251,815 units at a price of $0.14 per unit (US Unit). Each C$ Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until April 30, 2023. Each US Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of $0.185 until April 30,2023.
- On July 30, 2021, Zodiac Gold issued 2,976,556 units at a price of C$0.18 per unit (C$ Unit) and 3,971,427 units at a price of $0.14 per unit (US Unit). Each C$ Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until July 30, 2023, Each US Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of $0.185 until July 30,2023. Zodiac Gold issued 419,038 finder warrants with each finder's warrant exercisable into one common share of Zodiac Gold at an exercise price of C$0.24 until July 30, 2023.
- On September 2, 2021, Zodiac Gold issued 3,500,000 units at a price of C$0.18 per unit. Each unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until September 2, 2023. Zodiac Gold issued 124,000 finder warrants with each finder's warrant exercisable into one common share of Zodiac Gold at an exercise price of C$0.24 until September 2, 2023.
- On October 15, 2021, Zodiac Gold issued 875,001 units at a price of C$0.18 per unit (C$ Unit) and 4,964,284 units at a price of $0.14 per unit (US Unit). Each C$ Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of C$0.24 until October 15, 2023, Each US Unit includes one common share and one share purchase warrant with each warrant exercisable into one common share for an exercise price of $0.185 until October 15, 2023. Zodiac Gold issued 31,111 finder warrants with each finder's warrant exercisable into one common share of Zodiac Gold at an exercise price of C$0.24 until October 15, 2023.
- The warrants associated with US units in the above financings were modified (extended). Refer to Note 9 (d) for further details.

(b) The value of the share purchase warrants issued is based on 8,447,557 share purchase warrants fair value of $275,413, 574,149 finder warrants fair value of $19,636 and 847,500 subscribed share purchase warrants fair value of $34,239. The Company measured the warrants with the Black-Scholes option pricing model with the following assumptions:

	As at November 30, 2021
Volatility	100%
Expected life (years)	1.39 – 2.11
Risk-free rate	0.24%-1.06%
Dividend yield	0%

Expressed in US dollars, unless otherwise stated

(c) The Company recorded 13,016,101 US$ warrants with a fair value of $435,034. The US$ warrants are derivative liabilities as Zodiac Gold's functional currency is the Canadian dollar. The Company measured the warrants with the black-Scholes option pricing model with the following assumptions:

	As at November 30, 2021
Volatility	100%
Expected life (years)	1.39 – 1.87
Risk-free rate	0.24%-1.00%
Dividend yield	0%

(d) The subscribed shares represent 847,500 units for gross proceeds of $120,430 which were issued post the GRM RTO. Each unit includes one common share and one share purchase warrant. Each common share is fair valued at $0.1017 for a total of $86,191, based on the fair value allocation of common shares and warrants.

(e) Gem Rocks owed Zodiac Gold for advances, interest payable and other costs prior to the GRM RTO. These amounts were settled upon completion of the GRM RTO transaction and are shown as settlement of pre-existing debt in the consideration paid.

(f) Transaction costs include 1,322,281 incentive shares provided to certain advisors and management of Zodiac Gold. The Company valued each common share at $0.1017 per common share for a fair value of $134,476.

3. Statement of Compliance and Basis of Preparation

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These Interim Financial Statements have been prepared in accordance with International Accounting Standards 34, Interim Financial Reporting.

The accounting policies applied in these Interim Financial Statements are consistent with those applied and disclosed in the Company's annual financial statements for the year ended March 31, 2023 unless otherwise disclosed herein. These Interim Financial Statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended March 31, 2023. These Interim Financial Statements were approved by Zodiac Gold directors on November 14, 2023.

4. Significant Accounting Estimates and Judgments

The preparation of these Interim Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures of contingencies. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Interim Financial Statements is included in the notes to these Interim Financial Statements where applicable. Actual results may differ from these estimates. The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the Company's statements of financial position reported in future periods.

a) Going Concern

These Interim Financial Statements have been prepared on the assumption that the Company is able to continue as a going concern. The Company has estimated its development, exploration, and operational expenditure for the coming 12 months from historical and projected costs of its development, exploration, and corporate programs. The Company's expected commitments is based on management's best estimates of operating conditions for continued exploration work on the Todi Property, on-going evaluation of acquisition exploration targets in Liberia and on-going administration and financing costs in the context of current economic conditions and capital market climate. Management has judged the Company's ability to raise additional capital/funding and continue as a going concern and has concluded that the going concern basis of accounting is appropriate. Refer to Notes 1 and 2 for further details.

b) Derivative liability – warrants

The Company measures the initial warrant liability and subsequent revaluations of the warrant liability by reference to the fair value of the warrants at the date at which they were issued and subsequently revalues them at each reporting date. Estimating fair value for these warrants requires management to determine the most appropriate valuation model. This estimate also requires management to make significant judgments about the capacity in which warrant holders receive warrants, and to make assumptions about the most appropriate inputs to the valuation model including the expected life of the warrants, volatility, and dividend yield. The assumptions and model used for estimating fair value for the warrant liability are disclosed in Note 9(d).

c) Acquisitions

The allocation of the purchase price in a business combination or asset acquisition, requires estimating the fair value of consideration paid, including, and not limited to common shares, share purchase warrants and subscribed shares, as well the fair value of acquired assets and liabilities. Judgment is used in determining whether an acquisition is a business combination or an asset acquisition. Refer to Note 2.

d) Legal matters

From time to time, the Company is named as a party to claims or is involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differ from these estimates, the difference will be accounted for as a charge to statement of loss and comprehensive loss in that period. The disclosure of further information with respect to ongoing legal matters would be reasonably expected to prejudice the position of the Company in such matters.

e) Existence of Decommissioning and Restoration Costs and the Timing of Expenditure

Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

f) Lease liabilities

All the components of the lease liability are required to be discounted to reflect the present value of the payments. The discount rate to use is the rate implicit in the lease, unless this cannot readily be determined, in which case the lessee's incremental borrowing rate is used instead. The definition of the lessee's incremental borrowing rate states that the rate should represent what the lessee would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Significant judgment is required to estimate an incremental borrowing rate in the context of a right-of-use asset.

g) Share-based compensation and share purchase warrants

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment and share purchase warrant transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumption about them, the assumptions and models used for estimating fair value for share-based payment and warrant transactions are disclosed in Notes 9 (d) and (e).

h) Recoverability of amounts receivable and deposit liability

For the three months ended June 30, 2023, the Company recognized a receivable of $27,500 for a cost-sharing agreement with a Liberian exploration company. The Company assessed its ability to collect its outstanding receivables, requiring the judgment of the ability of the Liberian exploration company to pay the owed amounts. The Company has not received any payments from the Liberian exploration company since March 2023. As the Liberian exploration company has no source of revenue, management concluded that the amount receivable was not recoverable. On June 30, 2023, the Company wrote off the receivable of $27,500.

i) Warrant modification

On April 17, 2023, the Company modified certain derivative liability warrant grants (refer to Note 9(d)) with extending the expiry to be either (i) the original expiry date as set out in the warrant certificates or (ii) 6 months following the date that the Company completes a public listing on a recognized stock exchange. The Company used the Black-Scholes Option Pricing model to fair value the modification which includes the input of expiry. For purposes of the Black-Scholes valuation, the Company estimated the revised expiry date to be one year from April 17, 2023. There were no other changes to the warrant terms.

j) Long-term payables – discount rate used

The determination of the Company's amortized cost of its long-term payables (refer to Note 8) depends on certain assumptions, which include the selection of the discount rate. The discount rate is set by reference to the estimated market rate of a similar loan. Significant assumptions are required to be made when determining which borrowing rates to apply in this determination. Changes in the assumptions used may have a significant effect on the Company's financial statements.

5. New Accounting Policies and Accounting Standards Adopted and Not Yet Effective

Adopted – April 1, 2023

Certain pronouncements were issued by the IASB or the International Financial Reporting Interpretations Committee that are mandatory for accounting periods commencing on or after April 1, 2024. Many are not applicable or do not have a significant impact on the Company and have been excluded.

IAS 1 - In February 2021, the IASB issued `Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for year ends beginning on or after January 1, 2023. The Company has concluded that the adoption of the amendments had no significant impact on its Interim Financial Statements.

Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023. The Company has concluded that the adoption of the amendments had no significant impact on its Interim Financial Statements.

IAS 8 - In February 2021, the IASB issued `Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023. The Company has concluded that the adoption of the amendments had no significant impact on its Interim Financial Statements.

IFRS not yet effective

IFRS 10 - Consolidated Financial Statements ("IFRS 10") and IAS 28 - Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet determined, however early adoption is permitted.

Expressed in US dollars, unless otherwise stated

6. Exploration and Evaluation Expenditures

	For the three months ended June 30, 2023	2022
Administration	$ 41,789	$ 113,571
Amortization and depreciation	6,408	6,931
Camp costs	4,057	2,524
Community relations	--	20,298
Drilling and assays	20,052	--
Geology	67,070	150,136
Fees and salaries	50,790	45,248
License and permits	22,665	300
Total	$ 212,831	$ 339,008

7. Lease Liabilities and Right-of-Use Assets

In November 2019, Zodiac Gold's subsidiary, Gem Rocks, entered into a 10-year lease agreement for the Company's CEO housing in Monrovia, Liberia. In October 2020, the Gem Rocks entered into a 10-year lease agreement for the Gem Rocks Liberian office and facilities. At the commencement date of the leases, the lease liabilities were measured at the present value of the lease payments. The lease payments are discounted using an interest rate of 12.44%, which is the Company's estimated incremental borrowing rate.

(a) Right of use asset	Three months ended June 30, 2023	Year ended March 31, 2023
Opening balance	$ 81,098	$ 92,352
Depreciation	(2,814)	(11,254)
Ending balance	$ 78,284	$ 81,098

(b) Lease liability	Three months ended June 30, 2023	Year ended March 31, 2023
Opening balance	$ 92,079	$ 90,669
Interest expense	2,894	11,410
Accruals and payments	--	(10,000)
Ending balance	$ 94,973	$ 92,079

Maturity analysis – contractual undiscounted cash flows:

	June 30, 2023	March 31, 2023
Less than one year	$ 28,000	$ 28,000
One to five years	99,500	99,500
Total	127,500	127,500
Effect of discounting	(32,527)	(35,421)
Total lease liabilities	94,973	92,079
Less: current portion	(18,800)	(18,300)
Long-term lease liabilities	$ 76,173	$ 73,779

Expressed in US dollars, unless otherwise stated

8. Long term payables

The Company signed agreements, dated June 30, 2023, with certain related parties and creditors to defer accounts payables of $218,819 (March 31, 2023 - $nil) of which $128,946 is due on December 31, 2024 and $89,873 is due on March 31, 2025. Of the long-term payables, $55,561 plus accrued interest is due on December 31, 2024 with an annual interest rate of 5% and $163,258 is due on March 31, 2025 and is non-interest bearing. These accounts payable remain unsecured. As the interest rate is below the market rate for debt to the Company, estimated at 20% (refer to Note 5 j)), the deferred accounts payable have been present valued to $159,848 as of June 30, 2023 and will be accredited to its face value of $218,819 until March 31, 2025. The Company has the option of repaying these amounts at any time. Included in long-term payables is $105,750 from the related parties (refer Note 10).

		As at June 30, 2023
Promissory note	$	218,819
Accretion expense		(58,972)
Total consideration paid	$	159,848

9. Share Capital

As at June 30, 2023, the Company's share capital consisted of the following:

(a) Authorized: Unlimited common shares.

(b) Issued and outstanding: 53,834,194 common shares (March 31, 2023 : 48,542,600).

During the three months ended June 30, 2023:

On May 5, 2023, the Company completed a private placement with the issuance of 3,074,777 units for $0.135 per unit and 416,666 units for C$0.18 per unit for gross proceeds of $470,177, including $49,975 from subscribed shares. Each $0.135 and C$0.18 unit consists of one Company common share and one-half of a non-transferable warrant exercisable at $0.185 and C$0.25, respectively, per share for 24 months after closing.

On May 30, 2023, The Company and certain Directors and officers of the Company agreed to settle $211,125 payables for 1,563,888 common shares of the Company, settle $12,708 (C$17,280) payables for 96,293 common shares of the Company.

On June 7, 2023, the Company issued 140,000 common shares at $0.135 (C$0.18) per share for management consulting services of $18,840. The fair value of the shares was measured at the cost of the services.

During the three months ended June 30, 2022:

There were no share issuances for the three months ended June 30, 2022.

(c) Subscribed shares

As at June 30, 2023, the Company had $166,492 (March 31, 2023 - $193,060) in share subscriptions. The Company transferred $49,975 from March 31, 2023, share subscription balance for the May 2023 financing and received $23,407 for future financing. Included in the June 30, 2023 balances is $138,000 related to Arrangement Agreement consulting services. For the three months ended June 30, 2022, the Company received $307,955 for share subscriptions.

(d) Warrants

As at June 30, 2023, the Company had 29,934,248 (March 31, 2023 - 28,188,528) warrants, comprising of 10,427,540 share purchase warrants and 19,506,708 derivative liability warrants (March 31, 2023 - 10,219,207 and 17,969,321, respectively).

Share purchase warrants (C$ Warrants)

As at June 30, 2023, the Company had 10,427,540 C$ Warrants (March 31, 2023 - 10,219,207). On May 3, 2023, the Company completed a private placement and issued 208,333 C$ Warrants (Note 9 (b)). Each C$ Warrant entitles the holder to acquire one common share of Zodiac Gold at a price of C$0.25 per share for a period of 24 months from the date of issuance.

Expressed in US dollars, unless otherwise stated

The Company used the Black-Scholes option pricing model with the following assumptions to calculate the fair value of $4,831:

	Three months ended June 30, 2023
Volatility	100%
Expected life (years)	2.00
Risk-free rate	3.7%
Dividend yield	0%

Below is a summary of C$ warrants for the three months ended June 30, 2023, and the year ended March 31, 2023.

C$ warrants		USD
March 31, 2023	$	343,214
May 3, 2023		4,831
June 30, 2023	$	348,045

The Company's C$ warrants continuity schedule as at June 30, 2023, and March 31, 2023, is as follows:

C$ warrants outstanding	Number of warrants	Weighted Avg exercise price
As at March 31, 2023	10,219,207	C$0.24
May 3, 2023	208,333	C$0.24
As at June 30, 2023	10,427,540	C$0.24

US$ Derivative liability - warrants

As at June 30, 2023, the Company had 19,506,708 US$ warrants (March 31, 2023 - 17,969,321). The fair values of warrants with an exercise price denominated in a currency different than Zodiac Gold's functional currency are recorded as derivative liabilities on their dates of issuance, with subsequent changes in fair value during each ensuing reporting period until the warrants expire, are exercised, or are cancelled being recognized through profit or loss. The fair values of these warrants are determined using the Black Scholes option pricing model. When these warrants are exercised, the fair value of the recorded warrant liability is reclassified to share capital on the date of issuance of the underlaying shares.

The Company revalued the US$ Derivative Liability Modified Warrants prior to the modification and recognized a change in fair value of $33,308. The Company revalued the US$ Derivative Liability Modified Warrants on the new terms and recognized an increase in share issuance costs of $272,762. The Company used the Black-Scholes option pricing model with the following assumptions to calculate the fair values: volatility – 100%; expected life 1 year; risk free rate of 3.95%; and dividend yield on 0%. Refer to Note 4 i).

On May 05, 2023, Zodiac Gold issued 1,537,387 US$ warrants. Each US$ warrant entitles the holder to acquire one common share of Zodiac Gold at a price of $0.185 per share for a period of 24 months from the date of issuance (refer to Note 9 (b)). The Company fair valued the May 5, 2023, liability-classified warrants at $61,496, using the following assumptions:

	Three months ended June 30, 2023
Volatility	100%
Expected life (years)	2.00
Risk-free rate	3.70%
Dividend yield	0%

Expressed in US dollars, unless otherwise stated

The Company revalued the outstanding Zodiac Gold US$ warrants as at June 30, 2023, and recognized a decrease in the liability of $14,076 (March 31, 2023, decrease - $381,550).

Derivative liability - warrants		June 30, 2023		March 31, 2023
Opening balance	$	233,699	$	384,220
Additions		61,496		106,602
Modification		272,762		124,427
Revaluation		(14,076)		(381,550)
Ending balance	$	553,881	$	233,699

The Company fair valued the derivative liability using the following assumptions:

	Three months ended June 30, 2023	Year ended March 31, 2023
Volatility	100%	100%
Expected life (years)	0.72 - 1.85	0.06 - 1.60
Risk-free rate	4.54%	4.06% - 4.94%
Dividend yield	0%	0%

The Company's derivate liability warrant continuity schedule as at June 30, 2023, and March 31, 2023, is as follows:

US dollar warrants	Number of warrants	Weighted average exercise price
As at March 31, 2022	13,395,251	$0.185
Issued – post repricing	4,574,070	$0.185
As at March 31, 2023	17,969,321	$0.185
Issued – May 5, 2023	1,537,387	$0.185
As at June 30, 2023	19,506,708	$0.185

As at June 30, 2023, the following warrants were outstanding:

Number of warrants outstanding	Exercise price	Weighted Average remaining contractual life (years)	Expiry date
2,828,575	US$0.185	0.80	Note i
1,251,815	US$0.185	0.80	Note i
1,096,000	C$0.24	0.80	Note i
2,976,556	C$0.24	0.80	Note i
3,971,427	US$0.185	0.80	Note i
419,038	C$0.24	0.80	Note i
3,500,000	C$0.24	0.80	Note i
124,000	C$0.24	0.80	Note i
4,964,284	US$0.185	0.80	Note i
875,001	C$0.24	0.80	Note i
31,111	C$0.24	0.80	Note i
847,500	C$0.24	0.78	10-Jan-2024
350,001	C$0.24	0.97	18-Mar-2024
379,150	US$0.185	0.97	18-Mar-2024
4,574,070	US$0.185	1.60	04-Nov-2024
1,537,387	US$0.185	1.85	05-May-2025
208,333	C$0.24	1.85	05-May-2025
29,934,248		0.94	

Note i - the extension is the later of (i) the original expiry date as set out in the warrant certificates or (ii) 6 months following the date that the Company completes a public listing on a recognized stock exchange. For the fair value calculation of the derivative liability, management has judged an extension of 1 year from April 17, 2023. Refer to Note 4 i) for further details.

Expressed in US dollars, unless otherwise stated

(e) Share-based compensation ("Stock Options")

The Company has established an omnibus equity incentive plan ("Omnibus Plan") which allows the Board of Directors to grant stock options to directors, officers, employees, or consultants in order to align the grant-recipients interests more closely with those of shareholders. Pursuant to the Omnibus Plan , the Company has been authorized to grant stock options of up to ten percent (10%) of the number of common shares issued and outstanding. Stock options granted are subject to a maximum term of ten years from the date of grant. The exercise price of a stock option must be determined in accordance with the Omnibus Plan . Stock options vest at the time the stock options are granted unless determined otherwise by the Board of Directors, other than stock options granted to consultants performing investor relations activities, which vest in stages over twelve months with no more than one quarter vesting in any three-month period. For the three months ended June 30, 2023, the Company granted 700,000 stock options (three months ended June 30, 2022 – 2,000,000) with an exercise price of $0.135 (C$0.18), expiry ranging from 2-10 years and all stock options vesting on grant date.

Below are the details of the stock option grants for the three months ended June 30, 2023, and the year ended March 31, 2023.

	Options		Weighted Average exercise price		Fair value
Balance March 31, 2022	--	$	--	$	--
Options granted - April 1, 2022	2,000,000		0.14		183,148
Options granted - July 5, 2022	450,000		0.14		68,031
Options granted - August 10, 2022	200,000		0.14		30,750
Balance March 31, 2023	2,650,000	$	0.14	$	281,929
Options granted - April 4, 2023	300,000		0.135		31,964
Options granted - April 28, 2023	100,000		0.135		6,009
Options granted - May 2, 2023	300,000		0.135		21,564
Balance June 30, 2023	3,350,000	$	0.14	$	341,466

The Company used the Black-Scholes option pricing model using the following assumptions, based on the original terms, to calculate the fair values of the shared-based payments:

	Three months ended June 30, 2023
Volatility	100%
Expected life	2-10 years
Risk free rate	2.77%-3.66%
Dividend Yield	0%

The Company Stock Options outstanding and exercise as at June 30, 2023, is as follows:

Number outstanding	Weighted average exercise price	Weighted average remaining life	Expiry date
2,000,000	$0.14/C$0.18	8.76	01-Apr-2032
450,000	$0.14/C$0.18	9.02	05-Jul-2032
200,000	$0.14/C$0.18	9.12	10-Aug-2032
300,000	$0.135/C$0.18	9.77	04-Apr-2033
100,000	$0.135/C$0.18	1.84	28-Apr-2025
300,000	$0.135/C$0.18	2.85	02-May-2026
3,350,000	$0.14/C0.18	8.17	

Expressed in US dollars, unless otherwise stated

10. Related Party Payables and Transactions

Related Party services & fees

	For the three months ended June 30, 2023	2022
Services rendered incurred (vii):		
Management fees (i- iii)	$ 41,318	$ 38,637
Services rendered (vi)	(25,000)	--
Share-based compensation (i,iii & v)	--	153,000
	$ 16,318	$ 191,637

Related Party payables

	June 30, 2023	March 31, 2023
Balances payable to (vii):		
Management fees & expenses (i – iii)	$ 43,084	$ 155,442
Advances payable (i)	64,275	222,150
	$ 107,359	$ 377,592

Related parties' transactions:

(i) For the three months ended June 30, 2023, the Company incurred $22,500 (three months ended June 30, 2022 - $30,000) to the Company's Chief Executive Officer (CEO) for management fees of Zodiac Gold and Gem Rocks. As at June 30, 2023, the Company owed the CEO $99,139 (March 31, 2023 - $344,514). Included in the payables were cash advances of $64,275 (March 31, 2023 - $222,150) from the CEO to Gem Rocks. On May 30, 2023, the Company and the CEO agreed to settle payables of $199,125 for 1,475,000 shares and forgave $67,500 in payables. As at June 30, 2023, the CEO agreed to defer $99,461 in payables until March 2024 (refer to Note 8). For the three months ended June 30, 2022, the Company granted 625,000 stock options with a fair value of $56,250.

(ii) For the three months ended June 30, 2023, the Company incurred $11,000 (three months ended June 30, 2022 - $nil) for Vice-President (VP) of Exploration services to a consultant. As June 30, 2023, the Company owed the VP of Exploration $nil (March 31, 2023 - $3,000).

(iii) For the three months ended June 30, 2023, the Company incurred $7,818 (three months ended June 30, 2022 - $8,637) for Interim CFO and bookkeeping services to a consultant. As at June 30, 2023, the Company owed the consultant $8,220 (March 31, 2023 - $18,078). On May 30, 2023, the Company and the consultant agreed to settle payables of $12,708 for 96,263 shares. As at June 30, 2023, the Interim CFO agreed to defer $8,220 in payables until March 2024 (refer to Note 8). For the three months ended June 30, 2022, the Company granted 100,000 stock options with a fair value of $9,000.

(iv) As at June 30, 2023, the Company had a payable to a director of $nil (March 31, 2023 - $12,000). On May 30, 2023, the Company and the Director agreed to settle the $12,000 payables for 88,888 shares.

(v) For the three months ended June 30, 2022, the Company granted 975,000 stock options, excluding stock options in item (i) and (iii) above, to certain Directors with a fair value of $87,750.

(vi) The Company's subsidiary entered into a cost-sharing agreement with a Liberian exploration company whereby the Gem Rocks shares its offices, services, and other expenses. The Liberian exploration company has a director in common with Gem Rocks. The six-month agreement commenced on December 1, 2022, with a monthly payment of $12,500 excluding taxes due on the first of each month. At the end of the term, May 31, 2023, unless the agreement is extended, a reconciliation is conducted to determine if any payments are owed to or by the Company based on their share of the expenses. As at June 30, 2023, the Company deemed the amounts receivable not recoverable and wrote-off the receivable of $27,500 (March 31, 2023 -$33,555).

(vii) These transactions were in the normal course of business that are recorded at their exchanged amounts and were established and agreed to by the related parties. The balances payable are included in accounts payable and accrual liabilities and are secured and non-interest bearing.

Expressed in US dollars, unless otherwise stated

11. Financial Instruments

Fair values

The carrying values of cash and accounts payable and accrued liabilities approximated their fair values because of the short-term nature of these financial instruments. The fair value of the long-term payable approximates carrying value as the interest rate approximates the current rate for similar instruments. The classifications of the financial instruments are shown in the table below:

As at June 30, 2023	Amortized cost	Amortized cost	Fair value through profit or loss
Cash	$ 75,893	$ --	$ --
Accounts payable and accrued liabilities	--	417,591	--
Long-term payables	--	159,848	--
Derivative liability - warrants	--	--	553,881
	$ 75,893	$ 577,439	$ 553,881

As at March 31, 2023	Amortized cost	Amortized cost	Fair value through profit or loss
Cash	$ 17,458	$ --	$ --
Accounts payable and accrued liabilities	--	929,881	--
Derivative liability - warrants	--	--	233,699
	$ 17,458	$ 929,881	$ 233,699

Inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement are summarized in the three level hierarchies as follows:

Level 1: Fair value measurements are quoted prices (unadjusted) in active markets for identical assets or liabilities

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

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

The only financial instrument the Company measured at fair value is the derivative liability which is classified as level three within the fair value hierarchy. The continuity of level 3 instruments is shown below:

Derivative liability - warrants	June 30, 2023	March 31, 2023
Opening balance	$ 233,699	$ 384,220
Additions	61,496	106,602
Modification	272,762	124,427
Revaluation	(14,076)	(381,550)
Ending balance	$ 553,881	$ 233,699

The fair value of Derivative liability - warrants was estimated using the Black-Scholes option pricing model. The assumptions used in that model are outlined in Note 9 (d). The only significant unobservable input used in that model is the estimated share price of the Company. The Company's shares do not trade on an active market and as a result the share price was estimated using a recent transaction in which the Company completed a private placement for cash. As at June 30, 2023, a 10% increase or decrease in the estimated fair value of the common shares of the Company would result in an increase or decrease of $117,486 (March 31, 2023 - $26,147), respectively.

Management of financial risk

The Company's financial instruments are exposed to certain financial risks including currency, credit, and liquidity risks.

Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and Liberia and its presentation currency is the United States dollar. The Company incurred foreign denominated expenses in British Pounds ("GBP"), and C$. A significant change in the currency exchange rates between the functional currencies relative to these currencies could have an effect on the Company's results of operations. The Company has not hedged its exposure to currency fluctuations. The Company is exposed to currency risk through the following assets and liabilities denominated in GBP and C$:

As at June 30, 2023		**C$**		**GBP**
Cash	$	1,350	£	--
Accounts payable and accrued liabilities		(410,579)		(5,204)
	$	(409,229)	£	(5,204)

As at March 31, 2023		**C$**		**GBP**
Cash	$	7,150	£	--
Accounts payable and accrued liabilities		(373,944)		(9,043)
	$	(366,794)	£	(9,043)

Based on the above net exposure as at June 30, 2023, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the United States dollar against these currencies would result in a $28,456 (March 31, 2023 – $25,656) decrease/increase in the Company's consolidated statement of loss and comprehensive loss per annum.

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. Credit risk arises from cash and cash equivalents held with banks. The Company's cash us held through Canadian banks and Liberian banks. The amounts held in Liberian banks are limited to approximately 30 days working capital of the Liberian operations.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with the financial liabilities. Zodiac Gold has a planning and budget process in place by which it anticipates and determines the funds necessary to support normal operation requirements and development of its mineral property interests for exploration stage enterprises. The Company's investment procedures are to invest its cash in highly liquid short-term interest-bearing investments with maturities greater than 90 days from the original date of acquisition, selected concerning the expected timing of expenditures from continuing operations. The Company ensures that sufficient funds are raised from debt, debentures, private placements, or other sources to meet its operating requirements, after taking into account existing cash.

Zodiac Gold manages liquidity risk through the management of its capital structure as described in Note 12. As at June 30, 2023, the Company had cash of $75,893 (March 31, 2023 - $17,458) to settle accounts payable and accruals of $417,591 (March 31, 2023 - $929,881). The Company estimates that it does not have available funds to meet requirements for the coming twelve months based on current planned expenditures for operations and will need to raise additional financing in order to continue its planned operations (refer to Notes 1 and 2).

12. Management of Capital & Commitments

Management of Capital

Zodiac Gold's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the exploration and evaluation of its mineral properties and to maintain a flexible capital structure, which optimizes the cost of capital at an acceptable risk (refer to Note 1). In the management of capital, the Company includes the components of equity attributable to common shareholders. The Company manages the capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the

Expressed in US dollars, unless otherwise stated

Company may attempt to issue new shares, issue debt, and acquire or dispose of assets. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on a range of factors, including successful capital deployment and general industry conditions. The CEO reviews the annual budgets. There were no changes to the management of capital by the Company during the three months ended June 30, 2023.

Commitments

In 2021, the Company entered into an agreement with its CEO for consulting services of $7,500 per month, with the Company able to terminate this arrangement with 30 days' notice. If the Company terminates this arrangement without cause with 30 days' notice, in addition to paying prior amounts owing, it is obligated to pay this party a lump sum payment equal to six months ($45,000) of the CEO's average monthly fees over the previous year.

The Company has commitments with lease liabilities until October 2029 and September 2030 (refer to Note 7) and long-term payables (refer to Note 8) until December 31, 2024 and March 31, 2025. The carrying and nominal values are as follows:

		Carrying amount		Contractual cash flows		< 1 year		1-5 years		> 5 years
Lease liability	$	94,973	$	127,500	$	28,000	$	99,500	$	--
Long-term payables		159,848		218,819		--		218,819		--

13. Geographical segment information

The Company's activities are all in the one industry segment of mineral property acquisition, exploration and development which represents information provided to the chief operating decision makers. Following is a summary of net loss and non-current assets by geographical segment:

		Canada		Liberia		Total
For the three months ended June 30, 2023						
Net loss	$	(168,844)	$	(119,736)	$	(288,580)
As at June 30, 2023						
Total non-current assets		--		120,498		120,498

		Canada		Liberia		Total
For the three months ended June 30, 2022						
Net loss	$	(245,449)	$	(314,935)	$	(560,384)
As at March 31, 2023						
Total non-current assets		--		126,906		126,906

14. Subsequent Events

(a) Shared-based compensation

The Company granted 2,450,000 stock options on July 18, 2023, with an exercise price of C$0.18 for a term of 10 years and 265,000 stock options with an exercise price of C$0.18 for a term of 5 years. Included in the grant were 2,350,000 stock options for directors and key management personnel.

APPENDIX C
PRO FORMA CONSOLIDATED STATEMENT OF FINANCIAL POSITION OF THE RESULTING ISSUER

See attached.

To the Filing Statement
of 1329306 B.C. Ltd.

UNAUDITED PRO FORMA STATEMENT OF FINANCIAL POSITION OF THE RESULTING ISSUER.
(presented in US dollars)

As at June 30, 2023

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ZODIAC GOLD CORP.
(an exploration stage company)
Pro Forma Consolidated Statement of Financial Position
As at June 30, 2023 (unaudited)
Expressed in US dollars, unless otherwise stated

	Zodiac Gold Inc., June 30, 2023 US$ (unaudited)	1329306 B.C. Ltd, June 30, 2023 US$ (unaudited)	Pro forma adjustments US$	Notes	Pro forma Zodiac Gold Corp, June 30, 2023 US$
Assets					
Current assets					
Cash and cash equivalents	$ 75,893	$ 404,331	$ 1,074,125	3(a)	$ 1,274,535
			(264,816)	2(c)	
			(14,998)	3(b)	
Amounts receivable and prepaid expenses	139,380	3,933	--		143,313
	215,273	408,264	794,311		1,417,848
Right of use assets	78,284	--	--		78,284
Property and equipment	42,214	--	--		42,214
	335,771	408,264	794,311		1,538,346
Liabilities and Equity					
Current liabilities					
Accounts payable and accrued liabilities	417,591	33,754	73,202	2(c)	395,080
			(129,467)	3(b)	
Lease liabilities - current	18,800	--	--		18,800
Derivative liability - warrants	553,881	--	--		553,881
	990,272	33,754	(56,265)		967,761
Long-term payables	159,848	--	--		159,848
Lease liabilities	76,173	--	--		76,173
Total Liabilities	1,226,293	33,754	(56,265)		1,203,782
Equity attributable to common shareholders					
Share capital	7,829,588	436,154	1,062,106	3(a)	10,539,561
			1,012,650	2(a),3(c)	
			199,063	3(b)	
Share subscriptions	166,492	--	(138,000)	3(b)	5,085
			(23,407)	3(b)	
Contributed surplus	341,466	--	--		341,466
Warrants	348,045	--	12,019	2(b)/3(a)	378,128
			18,064	2(b)/3(a)	
Accumulated other comprehensive income	31,927	--	--		31,927
Deficit	(9,608,040)	(61,644)	(338,018)	2(c)	(10,961,603)
			134,846	3(c)	
			(1,165,560)	2	
			76,813	3(b)	
	(890,522)	374,510	850,576		334,564
Total liabilities and Equity	$ 335,771	$ 408,264	$ 794,311		$ 1,538,346

1. Basis of presentation

The unaudited pro forma consolidated statement of financial position (the "Pro Forma Statement") have been prepared by Zodiac Gold Inc. ("Zodiac Gold" or the "Company") management after giving the effect to the proposed RTO acquisition by 1329306 B.C. Ltd. ("ShellCo") of 100% of the outstanding securities of Zodiac Gold (the "RTO"). Dollar amounts are expressed in United States dollars ("US$" or "$") or in Canadian dollars ("C$") except where indicated otherwise.

On June 20, 2023, ShellCo and Zodiac Gold entered into a binding letter of intent (the "Letter of Intent") pursuant to which they agreed to proceed with the RTO. Subsequently, ShellCo and Zodiac Gold entered into an arrangement agreement dated August 15, 2023 (the "Arrangement Agreement"), which superseded and replaced the Letter of Intent. Pursuant to the Arrangement Agreement, the RTO will proceed by way of a plan of arrangement pursuant to which ShellCo will acquire Zodiac Gold in exchange for common shares of ShellCo (the "Arrangement"). Pursuant to the Arrangement, it is anticipated that (i) each common share of ShellCo ("ShellCo Share"), after giving effect to the ShellCo Share Reorganization (as defined below), will be exchanged for one common share of Zodiac Gold (a "Zodiac Share") at a deemed issue price of $0.18 per share and (ii) each outstanding warrant and option to acquire a Zodiac Share will exchanged for one warrant or option to acquire a ShellCo Share at the same price and on the same terms and conditions. Following closing of the RTO, Zodiac Gold will be a wholly-owned subsidiary of ShellCo and will continue the business of Zodiac Gold under the name Zodiac Gold Corp. (the "Resulting Issuer").

Prior to completion of the RTO, ShellCo will complete a reorganization of its share capital based on a ratio that will have the effect of consolidating the current outstanding ShellCo Shares on a 14.2:1 basis (the "ShellCo Share Reorganization"). Upon completion of the RTO, it is anticipated that the Resulting Issuer will be listed as a Tier 2 mining issuer on the TSX Venture Exchange (the "TSX-V"), with Zodiac Gold as its primary operating subsidiary. The completion of the transaction is subject to a number of conditions including but not limited to the TSX-V and shareholders' acceptance. There can be no assurance that the transaction will be completed as proposed or at all.

Prior to the completion of the RTO, ShellCo intends to complete a private placement of ShellCo Shares (the "ShellCo Financing") for gross proceeds of up to approximately $1,576,180 (C$2,086,862) at a price of C$0.10 per ShellCo Share on a post-ShellCo Share Reorganization basis, of which total gross proceeds of $443,249 (C$586,862) has already been raised in June 2023. Shellco plans to issue Broker warrants with an exercise price of C$0.18 and a term of 12 months.

Subsequent to June 30, 2023, the ShellCo and the Company entered into two promissory notes pursuant to which ShellCo agreed to loan up to C$250,000 in amounts requested by Zodiac Gold from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum. The first promissory note of $74,251 (C$100,000) issued on August 3, 2023, will be repayable on February 3, 2024 and the second promissory note of $109,369 (C$150,000) issued on October 19, 2023, will be repayable on February 19, 2024 (together the "Promissory Notes"). Zodiac Gold may repay the Promissory Notes by the due dates or at such earlier date without penalty. If Zodiac Gold fails to repay any amount owing under the Promissory Notes when due it will be converted into shares of Zodiac Gold at a price of C$0.18 per share.

The RTO will be accounted for in accordance with IFRS 2, "Share-Based Payment". As ShellCo did not qualify as a business according to the definition in IFRS 3, this RTO does not constitute a business combination and is treated as an asset acquisition of ShellCo's net assets with Zodiac Gold as the continuing entity.

The unaudited pro forma consolidated balance sheet as at June 30, 2023, has been prepared as if the acquisition described occurred on June 30, 2023, using the unaudited condensed interim consolidated statement of financial position of Zodiac Gold as at June 30, 2023, and the unaudited statement of financial position of ShellCo as at June 30, 2023.

The unaudited pro forma consolidated statement of financial position has been prepared for illustrative purposes only and may not be indicative of the combined entities' financial position that would have occurred if the acquisition had been in effect at the date indicated. Actual amounts recorded upon consummation of the Arrangement will likely differ from those recorded in the unaudited pro forma consolidated statement of financial position as certain measurements can only be finalized on closing of the acquisition. The pro forma adjustments and allocations of the purchase price are based in part on estimates of the fair value of assets acquired and liabilities to be assumed. The final purchase price allocation will be completed after asset and liability valuations are finalized as of the date of the completion of the acquisition. The actual fair values of the assets and liabilities will be determined as of the effective date of the RTO and may differ materially from the amounts disclosed in the assumed pro forma purchase price allocation because of changes in fair value of the assets and liabilities up to the date of effective date of the RTO, and as further analysis is completed. Any potential synergies that may be realized and integration costs that may be incurred upon completion of the final prospectus have been excluded from this Pro Forma Statement.

Expressed in US dollars, unless otherwise stated

The unaudited pro forma consolidated statement of financial position has been prepared in accordance with International Financial Reporting Standards ("IFRS"), as disclosed in Zodiac Gold and ShellCo's accounting policies, in Zodiac Gold's audited consolidated financial statements for the year ended March 31, 2023, and ShellCo's audited financial statements for the year ended December 31, 2022. There are no material differences in accounting policies between Zodiac Gold and ShellCo.

ShellCo and Zodiac Gold are both domiciled in British Columbia, Canada. The statutory tax rate applicable to both entities is 27%. As at the date of these Pro Forma Statement, the effective tax rate applicable to the Resulting Issuer is 0%.

2. Zodiac Gold and ShellCo - asset acquisition

For accounting purposes, the acquisition is being accounted as an asset acquisition as at June 30, 2023. The ShellCo's net assets acquired are from the ShellCo's financial statements as at June 30, 2023. The preliminary allocation of the purchase price to the assets and liabilities acquired is as follows:

Consideration	Note		USD
Common shares issued	(a)	$	2,510,910
Warrants	(b)		30,083
RTO costs	(c)		338,018
Total consideration		$	2,879,011

Allocation of assets and liabilities		USD
Total assets	$	1,409,187
Total liabilities		(33,754)
		1,375,433
Listing expense	**$**	**1,503,578**

The unaudited pro forma statement of financial position assumes that the cost of acquisition will include the fair value of the Zodiac Gold's common shares issued. The consideration of approximately $2,879,011 includes the following estimates, fair value of common shares issued of $2,510,910, fair value of finder warrants of $30,083 and transaction costs of $338,018. After allocation of net assets and liabilities the listing expense is $1,503,578.

The unaudited Pro Forma Statement reflect the following assumptions and adjustments for the acquisition of ShellCo:

a) Zodiac Gold issued 21,834,000 common shares (post exchange) with a fair value of $2,510,910 based on the deemed price of $0.115 per each ShellCo common share. On October 26, 2023, ShellCo consolidated its shares on the basis of one post-consolidation share for every nine hundred fifty-seven thousand and one hundred (957,100) pre-consolidation shares. Fractional shares held by each post-consolidation shareholders who held less than one whole share were eliminated in exchange for a cash payment equal to $0.007 per pre-consolidation share held by such shareholder. Following completion of the consolidation, ShellCo split its outstanding shares on the basis of 67,000 post-split shares for every one pre-split share (the foregoing consolidation and stock split are referred to as the "ShellCo Reorganization"). The net effect of the ShellCo Reorganization was to consolidate the pre-ShellCo Reorganization Shares on the basis of one post-ShellCo Reorganization Shares for approximately every 14.2 pre-ShellCo Reorganization Shares.

b) Zodiac Gold issued 700,000 finder warrants with a fair value of $30,083. The warrants have an exercise price of C$0.18 and a term of 12 months. The following assumptions were used for the fair value of the finder warrants: risk-free interest rate – 4.54%, expected life – 1 years, annualized volatility – 100%, and estimated annual dividend yield and forfeiture rate – 0%.

Expressed in US dollars, unless otherwise stated

c) Accounts payable, cash and transaction costs have been adjusted to recognize the estimated transaction costs of $338,018.

3. Unaudited Pro Forma assumptions and adjustments

The fair values below have been determined by Zodiac Gold's management for the Filing Statement and are based on the information available to management. Under IFRS the actual measurement date of the purchase price and allocation of the purchase price to the identifiable assets and liabilities will occur on the date the consideration is paid, and the goods are received. These fair values are preliminary and subject to change as more information is obtained. The Pro Forma Statement reflect the following assumptions and adjustments:

a) Record estimated gross proceeds for ShellCo Financing of $1,132,931 at $0.074 (C$0.10) per common share (pre-reorganization) completed in October 26, 2023 less transaction costs of $5,936 and finders cash fees of $52,870 and share capital adjusted for the fair value of finder warrants of $12,019. The following assumptions were used for the fair value of share purchase warrants, derivative liability – warrants and brokers warrants: risk-free interest rate – 4.54%, expected life – 1 year, annualized volatility – 100%, and estimated annual dividend yield and forfeiture rate – 0%. The estimated number of finder warrants of 700,000 used in the fair value of broker warrants is based on finders associated with an estimated $755,000 in financing receipts.

b) Record Zodiac Gold's issued for 1,400,000 common shares with a fair value of $199,063. The share issuance was allocated from subscribed shares of $161,407, accounts payable disbursement of $37,656, gain on creditor settlement of $76,813 and creditor settlement payments of $14,998.

c) Reduction of share capital of $1,498,260, finder warrants of $12,019 and deficit of $134,846 to eliminate ShellCo's historical equity accounts.

d) On consolidation, the functional currencies of the Company, as determined by management, is the US dollars. For the purposes of the Pro Forma, ShellCo Canadian amounts were translated with a foreign exchange rate 0.7553.

e) The Promissory Notes between the ShellCo and Zodiac Gold, entered subsequent to June 30, 2023, have a carrying value of $183,620. The Pro Forma adjustment eliminates this balance, including accrued interest, on consolidation which results in no impact on the Pro Forma Statement.

4. Share capital

a) Zodiac Gold's proforma share capital carrying values, after the acquisition of ShellCo, as at June 30, 2023, are as follows:

	Number of shares		USD
Zodiac Gold balance	53,834,194	$	7,829,588
Management and creditors settlement	1,400,000		199,063
Shares issued to ShellCo shareholders	21,834,000		2,510,910
Pro forma balance	77,068,194	$	10,539,561

5. Warrants

a) Zodiac Gold's proforma outstanding share purchase and broker warrants and carrying values as at June 30, 2023, is as follows:

Share purchase warrants	Number of warrants		USD
Zodiac Gold balance	10,427,540	$	348,045
Finder warrants	700,000		30,083
Pro forma balance	11,127,540	$	378,128

Expressed in US dollars, unless otherwise stated

b) Zodiac Gold's proforma outstanding derivate warrants – liability and carrying values as at June 30, 2023, is as follows:

Derivate warrants - liability	Number of warrants	USD
Pro forma balance	19,506,708	$ 553,881

6. Stock Options

ShellCo did not have any stock options as at June 30, 2023, and did not grant any stock options subsequently. Zodiac Gold total outstanding and exercisable stock options as at June 30, 2023 was 3,350,000 with a fair value of $341,466. Subsequent to June 30, 2023, Zodiac Gold granted 2,715,000, with expiry terms ranging from 5 to 10 years and exercise price of C$0.18. The total number of stock options at the date of this Proforma was 6,065,000.

APPENDIX D
MANAGEMENT'S DISCUSSION AND ANALYSIS OF SHELLCO

See attached.

1329306 B.C. LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
DECEMBER 31, 2022

Management's discussion and analysis (MD&A) is current to April 24, 2023 and is management's assessment of the operations and the financial results together with future prospects of 1329306 B.C. Ltd. ("1329306" or the "Company"). This MD&A should be read in conjunction with our audited financial statements for the years ended December 31, 2022 and for period from October 20, 2021 (date of incorporation) to December 31, 2021 and notes thereto, prepared in accordance with International Financial Reporting Standards. All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to 1329306's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward-looking statements. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A Additional information relevant to 1329306's activities, including 1329306's Press Releases can be found on SEDAR at www.sedar.com.

OVERVIEW OF THE BUSINESS

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. The Company issued 22,590,750 common shares. On the same day, the Company became a reporting issuer.

OPERATIONAL DISCUSSION

The following is management's discussion and analysis of the results of operations and liquidity and financial condition of the Company for the year ended December 31, 2022. The MD&A should be read in conjunction with the annual audited financial statements and related notes for the year ended December 31, 2022 and for period from October 20, 2021 (date of incorporation) to December 31, 2021.

The following MD&A provides a summary of the financial information of the Company contained elsewhere herein. This discussion contains forward looking statements that involve certain risks and uncertainties. See "*Forward Looking Information*".

Results of Operations and Selected Annual Information

The following table sets forth financial information for the Company which has been summarized from the Company's audited financial statements for the year ended December 31, 2022 and for period from October 20, 2021 (date of incorporation) to December 31, 2021.

Statements of Loss		**December 31, 2022**		**Period from October 20, 2021 (date of incorporation) to December 31, 2021**
Expenses				
Consulting fees	$	40,000	$	-
Professional fees		18,142		817
Shareholder information		5,458		-
Net Loss	**$**	**(63,600)**	**$**	**(817)**
Basic and diluted loss per share – total	$	(0.00)	$	(0.00)

Twelve months ended December 31, 2022
1329306 incurred a net loss of $63,600 or $0.00 per share for the twelve months ended December 31, 2022 – consulting fees in the amount $40,000; professional fees of $18,142; and shareholder information of $5,458. For the period from October 20, 2021 (date of incorporation), 1329306 incurred $817 of professional fees.

Three months ended December 31, 2022
1329306 incurred a net loss of $17,255 or $0.00 per share for the three months ended December 31, 2022 – consulting fees in the amount $10,000; professional fees of $6,634; and shareholder information of $621. For the period from October 20, 2021 (date of incorporation), 1329306 incurred $817 of professional fees.

Results for the eight most recent three-month periods ended

	December 31, 2022 $	September 30, 2022 $	June 30, 2022 $	March 31, 2022 $	October 20, 2021 (date of incorporation) to December 31, 2021 $
Expenses					
Consulting fees	10,000	10,000	10,000	10,000	-
Professional fees	6,634	500	7,000	4,008	817
Shareholder information	621	221	3,148	1,468	-
Net loss	(17,255)	(10,721)	(20,148)	(15,476)	(817)
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

RELATED PARTY DISCLOSURES

Key management personnel compensation

i) The company did not pay employment-based remuneration to directors, officers or other members of key management for the year ended December 31, 2022. However, the Company did pay contract-based remuneration to directors, officers and other members of key management as discussed below.

ii) Other related party transactions

Included in the annual audited 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.

December 31,	**2022**	**2021**
Consulting expenses	**$ 40,000**	**$ -**
Professional fees	**6,562**	**-**
Shareholder information	**2,900**	**-**
	$ 49,492	**$ -**

Related party balances
Included in trade and other payables at December 31, 2022 is $58,587 (December 31, 2021 – $nil) due to related parties. Such amounts are due on demand, non-interest bearing and are unsecured.

LIQUIDITY AND CAPITAL RESOURCES

The Company had a working capital deficit of $64,416 as at December 31, 2022 (December 31, 2021 - $816). The Company does not have revenues from operations and relies on outside funding for its continuing financial liquidity. The Company will need additional financing in order to continue operations.

Management cautions that the Company's ability to raise additional funding is not certain. Additional funds will be required in order to pursue the Company's current business plans. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern.

Share Capital Transactions

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.

OFF-STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

The Company has no off-statement of financial position arrangements.

DIVIDEND INFORMATION

The Company has neither declared nor paid any dividends on its Common Shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its Common Shares in the foreseeable future.

OUTSTANDING SHARE DATA

As at the date of this MD&A, there were 22,590,750 common shares outstanding.

CRITICAL ACCOUNTING ESTIMATES

Use of management estimates, judgments and measurement uncertainty

The preparation of these financial statements using accounting policies in accordance with IFRS requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Functional currency
The Company's management is required to make judgments as to the currency of the primary economic environment in which an entity operates to determine the functional currency of the entity. The Company has determined the functional currency of the parent company to be the Canadian dollar.
FINANCIAL RISK FACTORS

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 December 31, 2022, the Company did not have any financial instruments measured at fair value and that classification within the fair value hierarchy. As at December 31, 2022, the carrying and fair value amounts of the Company's other financial instruments are approximately equivalent due to the relatively short periods to maturity of these investments.

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

The Company's maximum exposure to credit risk as at December 31, 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 December 31, 2022, the Company had a working capital deficiency of $64,416 (2021 - $816). Working capital deficiency as at December 31, 2022 consisted of: cash of $1 (2021 - $1), accounts receivable of $1,477 (2021 - $nil), and trade payables and other liabilities company of $65,894 (2021 - $817). The Company had not yet achieved profitable operations, has losses of $64,417 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.

RISK FACTORS

Novel Coronavirus ("COVID-19")

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

OTHER RISK FACTORS

There are a number of risks and uncertainties that may have a material and adverse impact on the future operating and financial performance of 1329306 and could cause 1329306's proposed plans, prospects, strategies, events, operating and financial performance and results to differ materially from the estimates described in forward-looking statements and forward-looking information in this MD&A related to 1329306. These include widespread risks associated with any form of business and specific risks associated with 1329306's business. An investment in 1329306 Shares, as well as 1329306's prospects, is highly speculative due to the high-risk nature of its business, as well as due to the limited assets and cash resources of 1329306. Shareholders of 1329306 may lose their entire investment. The risks described below are not the only ones facing 1329306. Additional risks not currently known to 1329306, or that 1329306 currently deems immaterial, may also impair 1329306's proposed plans, prospects, strategies, events, business, operations, financial performance and results. If any of the following risks actually occur, 1329306's plans, strategies, events, business, financial performance and condition, results and prospects could be adversely affected.

Absence of Public Trading Market

Currently there is no public market for the Common Shares, and there can be no assurance that an active market for the Common Shares will develop or be sustained. If an active public market for the Common Shares does not develop, the liquidity of an investor's investment may be limited and the share price may decline below an investors initial purchase price.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

DISCLOSURE AND INTERNAL CONTROLS

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (Form 52-109FV2), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for the design and effectiveness of disclosure controls and procedures ("DC&P") and the design of internal control over financial reporting ("ICFR") to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers. The Company's controls are based on the Committee of Sponsoring Organizations ("COSO") 2013 framework. The Company's CEO and the CFO have evaluated the design and effectiveness of the Company's DC&P as of December 31, 2022 and have concluded that these controls and procedures are effective in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company. The CEO and CFO have also evaluated the design and effectiveness of the Company's ICFR as of December 31, 2022 and concluded that these controls and procedures are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner.

During the current period, there have been no changes in the Company's DC&P or ICFR that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Cautionary Note Regarding Forward-Looking Information

Except for statements of historical fact relating to 1329306, certain information contained in this MD&A constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company's properties; the future price of precious and/or base metals; success of exploration activities; cost and timing of future exploration and development; requirements for additional capital and other statements relating to the financial and business prospects of the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: unexpected events and delays during permitting; the possibility that future exploration results will not be consistent with the Company's expectations; timing and availability of external financing on acceptable terms and in light of the current decline in global liquidity and credit availability; the uncertainty of conducting activities within a joint venture structure; currency exchange rates; government regulation of mining operations; failure of equipment or processes to operate as anticipated; risks inherent in mineral exploration and development including environmental hazards, industrial accidents, unusual or unexpected geological formations; and uncertain political and economic environments. Although management of 1329306 has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The annual audited financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgments and estimates.

Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate and assets are safeguarded.

The Audit Committee has reviewed the annual audited financial statements with management. The Board of Directors has approved the annual audited financial statements on the recommendation of the Audit Committee.

1329306 B.C. LTD.

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
JUNE 30, 2023

Management's discussion and analysis (the "MD&A") is current to August 24, 2023, and is management's assessment of the operations and the financial results together with future prospects of 1329306 B.C. Ltd. ("1329306" or the "Company"). This MD&A should be read in conjunction with the Company's unaudited condensed interim financial statements for the three and six months ended June 30, 2023, and 2022, and notes thereto, prepared in accordance with International Financial Reporting Standards ("IFRS"). All figures are in Canadian dollars unless stated otherwise. This discussion contains forward-looking statements that are not historical in nature and involves risks and uncertainties. Forward-looking statements are not guarantees as to 1329306's future results as there are inherent difficulties in predicting future results. Accordingly, actual results could differ materially from those expressed or implied in the forward- looking statements. The Company has adopted National Instrument 51-102F1 as the guideline in presenting the MD&A Additional information relevant to 1329306's activities, including 1329306's Press Releases can be found on SEDAR at www.sedar.com.

OVERVIEW OF THE BUSINESS

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. As at the date of this MD&A, the Company's head office is located at Suite 3606 - 833 Seymour Street, Vancouver, British Columbia, Canada.

On June 20, 2023, the Company completed transfer of shares by controlling shareholder. The Company's controlling shareholder, 2673954 Ontario Inc. and certain affiliates sold a total of 20,323,008 common shares in the capital of the Company ("Common Shares"), representing approximately 90% of the Company's issued and outstanding Common Shares to six separate purchasers (the "Share Sale").

SECOND QUARTER OF 2023 AND RECENT HIGHLIGHTS

On June 20, 2023, concurrently with the Share Sale, the Company closed a non-brokered private placement for gross proceeds of $586,862 for the issuance of 78,662,703 common shares.

On August 15, 2023, the Company entered into an arrangement agreement (the "Arrangement Agreement") with Zodiac Gold Inc. ("Zodiac Gold"), pursuant to which Zodiac Gold and the Company will complete a transaction that will result in the previously announced reverse takeover (June 20, 2023) of the Company by the shareholders of Zodiac Gold (the "Transaction"). Upon completion of the Transaction, the resulting company (the "Resulting Issuer") will continue to carry on the business of Zodiac Gold and will focus on the exploration and potential development of Zodiac Gold's Todi Property in the Republic of Liberia. The Arrangement Agreement supersedes and replaces the June 20, 2023, letter of intent between Zodiac Gold and the Company relating to the Transaction.

Pursuant to the Arrangement Agreement, among other things, the Company proposes to acquire all of the issued and outstanding shares of Zodiac Gold ("Zodiac Shares") in exchange for shares of the Company ("ShellCo Shares") by way of a court-approved plan of arrangement under the Business Corporations Act (British Columbia).

Pursuant to the Arrangement Agreement, the Company will acquire all of the issued and outstanding Zodiac Shares, including all of the Zodiac Shares issued in connection with the Arrangement Financing, described below, in exchange for ShellCo Shares on a one-for-one basis at a deemed price of $0.18 per share. Assuming that there will be 58,567,527 Zodiac Shares issued and outstanding immediately prior to closing, a total of 58,567,527 ShellCo Shares will be issued to the Zodiac Gold's shareholders under the Arrangement Agreement. In addition, all of the issued and outstanding options and warrants to acquire Zodiac Shares will be exchanged for Resulting Issuer options and Resulting Issuer warrants having equivalent terms on a one-for-one basis.

Upon completion of the Transaction, and assuming the Arrangement Financing is fully subscribed, the shareholders of the Company and Zodiac Gold immediately prior to the completion of the Transaction (including shareholders who acquired their shares pursuant to the Company and Zodiac Gold financings) are expected to hold 13,070,411 and 58,567,527 Resulting Issuer shares, respectively (representing 18.2% and 81.8%, respectively, of the outstanding Resulting Issuer shares on a non-diluted basis), and there are expected to be a total of 71,637,938 Resulting Issuer shares, 6,065,000 Resulting Issuer options and 31,746,747 Resulting Issuer warrants issued and outstanding.

Prior to completing the Transaction, the Company intends to complete a reorganization of the ShellCo Shares involving a consolidation of the ShellCo Shares followed by a split of the ShellCo Shares. The effect of this reorganization will be to consolidate the ShellCo Shares on the basis of one post-reorganization ShellCo Share for every 14 pre-reorganization ShellCo Shares.

In connection with the Transaction, the Company and Zodiac Gold intend to complete non-brokered private placement financings for aggregate gross proceeds of up to approximately $2,400,000 ("Arrangement Financing"). The proceeds of the financings will be used to pay Transaction costs, to finance exploration programs and to fund the working capital requirements of the Resulting Issuer. The Company plans to raise gross proceeds of up to approximately $1,200,000, which includes the $586,862 disclosed in the June 30, 2023, interim financial statements, by way of a non-brokered private placement of ShellCo Shares at a post-reorganization price of $0.10 per share.

The Transaction is an Arm's Length Transaction and is subject to the satisfaction of a number of conditions, including the receipt of all necessary court and Zodiac Gold's shareholder approvals as well as conditional approval from the TSX Venture Exchange for the listing of the shares of the Resulting Issuer and completion of the private placements described below.

On August 3, 2023, the Company and Zodiac Gold entered into a promissory note. Pursuant to the promissory note, the Company agreed to loan up to $100,000 to Zodiac Gold in amounts requested by Zodiac Gold from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum and will be repayable on November 3, 2023, or at such earlier date as Zodiac Gold may determine. If Zodiac Gold fails to repay any amount owing under the promissory note when due it will be converted into Zodiac Shares at a price of $0.18 per share. Subsequent to June 30, 2023, the Company had advanced an aggregate of $100,000 to Zodiac Gold under the promissory note.

OPERATIONAL DISCUSSION

The following is management's discussion and analysis of the results of operations and liquidity and financial condition of the Company for the three and six months ended June 30, 2023. The MD&A should be read in conjunction with the condensed interim financial statements and related notes for the period ended June 30, 2023, and 2022.

The following MD&A provides a summary of the financial information of the Company contained elsewhere herein. This discussion contains forward looking statements that involve certain risks and uncertainties. See "*Forward Looking Information*".

Results of Operations and Selected Annual Information

Statements of Loss	Three months ended		Six months ended	
	June 30, 2023	**June 30, 2022**	**June 30, 2023**	**June 30, 2022**
Expenses				
Consulting fees	$ --	$ 10,000	$ 10,000	$ 20,000
Professional fees	34,539	7,000	36,039	11,008
Shareholder information	3,483	3,148	3,398	4,616
Loss before other items	**(38,022)**	**(20,148)**	**(49,437)**	**(35,624)**
Foreign exchange gain/(loss)	(5,055)	--	(5,055)	--
Forgiveness of payables	37,293	--	37,293	--
Net loss and comprehensive loss	**(5,784)**	**(20,148)**	**(17,199)**	**(35,624)**
Basic and diluted loss per share – total	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.00)

For the three months ended June 30, 2023 v June 30, 2022
1329306 incurred a net loss of $5,784 (2022 - $20,148) for the three months ended June 30, 2023. Of this loss significant amounts were for professional fees of $34,539 (2022 – $7,000); settlement of payables of $37,293 (2022 - $nil); and consulting fees of $nil (2022 - $10,000).

The increase in professional costs of $27,539 is related legal fees for the Share Sale, change of directors and management and the Arrangement Agreement.

The increase in forgiveness of payables and the decrease in management fees is related to Share Sale transaction and change of management. Pursuant to the Share Sale, key management forgave $30,000, which included no fees for three months ended June 30, 2023. . There was no forgiveness of payables for the three months ended June 30, 2022. Refer to Related Party Disclosures for further information.

For the six months ended June 30, 2023 v June 30, 2022
1329306 incurred a net loss of $17,199 (2022 - $35,624) for the six months ended June 30, 2023. Of this loss significant amounts were for professional fees of $36,039 (2022 – $11,008); settlement of payables of $37,293 (2022 - $nil); and consulting fees of $10,000 (2022 - $20,000).

The increase in professional costs of $25,031 is related to the Share Sale transaction, change of directors and management and the Arrangement Agreement.

The increase in forgiveness of payables and the decrease in management fees is related to Share Sale transaction and change of management. Pursuant to the Share Sale, key management forgave $30,000 which included no fees for three months ended June 30, 2023. There was no forgiveness of payables for the six months ended June 30, 2022. Refer to Related Party Disclosures for further information.

Results for the eight most recent three-month periods ended

	June 30, 2023 $	**Mar 31, 2023 $**	**Dec 31, 2022 $**	**Sept 30, 2022 $**	**June 30, 2022 $**	**Mar 31, 2022 $**	**Oct 20, 2021^ to Dec 31, 2021 $**
Expenses							
Consulting fees	--	10,000	10,000	10,000	10,000	10,000	--
Professional fees	34,539	1,500	6,634	500	7,000	4,008	817
Shareholder information	3,483	(85)	621	221	3,148	1,468	--
Loss before other items	**(38,022)**	**(11,415)**	**(17,255)**	**(10,721)**	**(20,148)**	**(15,476)**	**(817)**
Foreign exchange loss	(5,055)	--	--	--	--	--	--
Settlement of payables	37,293	--	--	--	--	--	--
Net loss and comprehensive loss	**(5,784)**	**(11,415)**	**(17,255)**	**(10,721)**	**(20,148)**	**(15,476)**	**(817)**
Loss per share	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)

^ - date of incorporation

RELATED PARTY DISCLOSURES

Key management personnel compensation

i) The Company did not pay employment-based remuneration to directors, officers, or other members of key management for the three and six months ended June 30, 2023, and 2022. However, the Company did pay contract-based remuneration to directors, officers and other members of key management as disclosed below.

ii) Other related party transactions

Included in the annual audited 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.

	Three months ended		Six months ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Expenses				
Consulting fees	$ --	$ 10,000	$ 10,000	$ 20,000

Related party balances

Pursuant to the Share Sale, key management outstanding payables of $50,000 were settled for $20,000. As at June 30, 2023, there were no outstanding payables to key management.

LIQUIDITY AND CAPITAL RESOURCES

As at June 30, 2023, the Company had a working capital surplus of $495,852, had not yet achieved profitable operations, with accumulated losses of $81,616, and expects to incur further losses in the development of its business. The Company will need additional financing in order to continue operations. To address its financing requirements, the Company will seek financing through, but not limited to: private placements, mergers, acquisition, and stock exchange transactions, including the Arrangement Agreement.

Management cautions that the Company's ability to raise additional funding is not certain. Additional funds will be required in order to pursue the Company's current business plans. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern.

Share Capital Transactions

On June 20, 2023, the Company completed the Share Sale with the transfer of shares by controlling shareholder. The Company's controlling shareholder, 2673954 Ontario Inc. and certain affiliates sold a total of 20,323,008 Common Shares in the capital of the Company, representing approximately 90% of the Company's issued and outstanding Common Shares to six separate purchasers.

Concurrently, with the Share Sale, the Company closed a non-brokered private placement for gross proceeds of $586,862 for the issuance of 78,662,703 common shares. The Company incurred $9,395 share issuance costs.

OFF-STATEMENT OF FINANCIAL POSITION ARRANGEMENTS

The Company has no off-statement of financial position arrangements.

DIVIDEND INFORMATION

The Company has neither declared nor paid any dividends on its common shares. The Company intends to retain its earnings, if any, to finance growth and expand its operation and does not anticipate paying any dividends on its common shares in the foreseeable future.

OUTSTANDING SHARE DATA

As at the date of this MD&A, there were 101,253,453 common shares outstanding.

CRITICAL ACCOUNTING ESTIMATES

Use of management estimates, judgments and measurement uncertainty

The preparation of these financial statements using accounting policies in accordance with IFRS requires management to make judgements and estimates and form assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Such estimates primarily relate to unsettled transactions and events as at the date of the financial statements. On an ongoing basis, management evaluates its judgements and estimates in relation to assets, liabilities, revenue and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgements and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. Significant estimates and judgments made by management in the preparation of these financial statements are outlined below:

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Functional currency

The Company's management is required to make judgments as to the currency of the primary economic environment in which an entity operates to determine the functional currency of the entity. The Company has determined the functional currency of the parent company to be the Canadian dollar.

FINANCIAL RISK FACTORS

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 June 30, 2023, the Company did not have any financial instruments measured at fair value and that classification within the fair value hierarchy. As at June 30, 2023, the carrying and fair value amounts of the Company's other financial instruments are approximately equivalent due to the relatively short periods to maturity of these investments. 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 June 30, 2023, is the carrying value of cash.

ii) Liquidity risk
The Company manages its liquidity risk to ensure that it will have sufficient liquidity to meet liabilities as they become due. At June 30, 2023, the Company had a working capital surplus of $495,852 (December 31, 2022, working capital deficit - $64,416). Working capital surplus as at June 30, 2023, consisted of: cash of $535,334 (December 31, 2022 - $1); amounts receivable of $5,208 (December 31, 2022 - $1,477); and accounts payable and accrued liabilities of $44,690 (December 31, 2021 - $65,894). As at June 30, 2023, the Company had not yet achieved profitable operations, had accumulated losses of $81,616 (December 31, 2022, accumulated losses - $64,417) 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.

iv) Currency risk
The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada with the functional currency is the Canadian dollar. The Company held foreign denominated cash in United States Dollars ("USD"). A significant change in the currency exchange rates between the functional currencies relative to this currency could have an effect on the Company's results of operations. The Company has not hedged its exposure to currency fluctuations. The Company held in trust with its lawyer $321,344 in USD and assuming that all other variables remain constant, a 10% depreciation or appreciation of the Canadian dollar against the USD would result in a $42,546 (December 31, 2022 – $NIL) decrease/increase in the Company's statement of loss and comprehensive loss.

NEW ACCOUNTING POLICY ADOPTION
The Company has adopted the following new accounting policy, effective April 1, 2023

Foreign currency translation
(i) Transactions and balances
Foreign currency transactions are translated into the functional currency of an entity using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses result from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in currencies other than an operation's functional currency. These gains and losses are recognized in the consolidated statements of loss. 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.

RISK FACTORS
Global Financial Conditions
Global financial conditions have at various times in the past and may, in the future, experience extreme volatility. Many industries, including the mining industry, are impacted by volatile market conditions. Global financial conditions may be subject to sudden and rapid destabilizations in response to economic shocks or other events, such as developments concerning COVID-19. A slowdown in the financial markets or other economic conditions, including but not limited to consumer spending, employment rates, business conditions, inflation, fluctuations in fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely affect the Company's growth and financial condition. Future economic shocks may be precipitated by several causes, including government debt levels, fluctuations in the price of oil and other commodities, volatility of metal prices, geopolitical instability, changes in laws or governments, war, terrorism, the volatility of currency exchanges inflation or deflation, the devaluation and volatility of global stock markets, pandemics, and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favourable to the Company or at all. In such an event, the Company's operations and financial condition could be adversely impacted.

Foreign currency fluctuations
Foreign currency fluctuations may have a material adverse effect on the Company's financial position and net income. The Company held cash in U.S. dollars. The use of this different currency exposes the Company to the risk of foreign currency fluctuations, which are affected by a number of factors that are beyond the control of the Company. These factors include economic conditions and the outlook for interest rates, inflation, and other economic factors. The Company has not hedged against fluctuations in exchange rates.

OTHER RISK FACTORS

There are a number of risks and uncertainties that may have a material and adverse impact on the future operating and financial performance of 1329306 and could cause 1329306's proposed plans, prospects, strategies, events, operating and financial performance and results to differ materially from the estimates described in forward-looking statements and forward-looking information in this MD&A related to 1329306. These include widespread risks associated with any form of business and specific risks associated with 1329306's business. An investment in 1329306 Shares, as well as 1329306's prospects, is highly speculative due to the high-risk nature of its business, as well as due to the limited assets and cash resources of 1329306. Shareholders of 1329306 may lose their entire investment. The risks described below are not the only ones facing 1329306. Additional risks not currently known to 1329306, or that 1329306 currently deems immaterial, may also impair 1329306's proposed plans, prospects, strategies, events, business, operations, financial performance and results. If any of the following risks actually occur, 1329306's plans, strategies, events, business, financial performance and condition, results and prospects could be adversely affected.

Absence of Public Trading Market
Currently there is no public market for the common shares, and there can be no assurance that an active market for the common shares will develop or be sustained. If an active public market for the common shares does not develop, the liquidity of an investor's investment may be limited and the share price may decline below an investors initial purchase price.

Internal Controls
Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation.

DISCLOSURE AND INTERNAL CONTROLS

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the financial statements and (ii) the financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

In contrast to the certificate required under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings (Form 52-109FV2), the Company utilizes the Venture Issuer Basic Certificate which does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing the Certificate are not making any representations relating to the establishment and maintenance of:

(i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and

(ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's IFRS.

The Company's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate.

Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost-effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

The Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") are responsible for the design and effectiveness of the DC&P and the design of the ICFR to provide reasonable assurance that material information related to the Company is made known to the Company's certifying officers. The Company's controls are based on the Committee of Sponsoring Organizations 2013 framework. The Company's CEO and the CFO have evaluated the design and effectiveness of the Company's DC&P as of June 30, 2023 and have concluded that these controls and procedures are effective in providing reasonable assurance that material information relating to the Company is made known to them by others within the Company. The CEO and CFO have also evaluated the design and effectiveness of the Company's ICFR as of June 30, 2023, and concluded that these controls and procedures are effective in providing reasonable assurance that financial information is recorded, processed, summarized and reported in a timely manner. During the current period, there have been no changes in the Company's DC&P or ICFR that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Cautionary Note Regarding Forward-Looking Information

Except for statements of historical fact relating to 1329306, certain information contained in this MD&A constitutes "forward-looking information" under Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to the potential of the Company's properties; the future price of precious and/or base metals; success of exploration activities; cost and timing of future exploration and development; requirements for additional capital and other statements relating to the financial and business prospects of the Company. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, and are inherently subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to risks related to: unexpected events and delays during permitting; the possibility that future exploration results will not be consistent with the Company's expectations; timing and availability of external financing on acceptable terms and in light of the current decline in global liquidity and credit availability; the uncertainty of conducting activities within a joint venture structure; currency exchange rates; government regulation of mining operations; failure of equipment or processes to operate as anticipated; risks inherent in mineral exploration and development including environmental hazards, industrial accidents, unusual or unexpected geological formations; and uncertain political and economic environments. Although management of 1329306 has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.

Management's Responsibility for Financial Information

Management is responsible for all information contained in this report. The condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards and include amounts based on management's informed judgments and estimates. Management maintains internal controls to provide reasonable assurance that financial information is reliable and accurate, and assets are safeguarded.

The Audit Committee has reviewed the condensed interim financial statements with management. The Board of Directors has approved the condensed interim financial statements on the recommendation of the Audit Committee.

APPENDIX E
MANAGEMENT'S DISCUSSION AND ANALYSIS OF ZODIAC

See attached.

ZODIAC GOLD INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the year ended March 31, 2023 and 2022

This Management's Discussion and Analysis ("MD&A") provides a review of the performance of Zodiac Gold Inc.'s ("Zodiac Gold" or the "Company") operations and has been prepared on the basis of available information up to November 14, 2023, and should be read in conjunction with the audited consolidated financial statements (the "Financial Statements") for the year ended March 31, 2023 ("Fiscal 2023"), and the year ended March 31, 2022 – unaudited ("Fiscal 2022"), and the related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are expressed in United States ("US" or "$") dollars and Canadian $ ("C$") except where indicated otherwise.

Caution on Forward-Looking Statements

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "anticipate", "believe", "plan", "expect", "intend", "estimate", "forecast", "project", "budget", "schedule", "may", "will", "could", "might", "should" or variations of such words or similar words or expressions. Forward- looking information is based on reasonable assumptions that have been made by the Company as at the date ofsuch information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to:; success of planned exploration programs, acquisition of companies and associated mineral property interests, acquisition of mineral property interests; risks associated with mineral exploration and development; metal and mineral prices; availability of capital; accuracy of the Company's projections and estimates; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of future exploration activities; government regulation; political or economic developments; foreign taxation risks; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of strategic metal exploration and development including the risks of diminishing quantities of grades of reserves; contests over title to properties; and changes in project parameters as plans continue to be refined, as well as those risk factors set out in this MD&A.

Forward-looking statements are based on assumptions management believes to be reasonable including but not limited to the price of gold; the demand for gold; the ability to carry on exploration and development activities;; the ability to obtain qualified personnel, equipment and services in a timely and cost-efficient manner; the ability to raise the required financing, the ability to operate in a safe, efficient and effective manner; and the regulatory framework regarding environmental matters, government regulation; political or economic developments; and such other assumptions and factors as set out herein.

Forward-looking statements and forward-looking information contained herein are made as of the date of this MD&A and we disclaim any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events, or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.

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Overview

Zodiac Gold was incorporated under the provisions of the British Columbia *Business Corporations Act* on May 26, 2020. The Company was formed with the purposes to acquire all the outstanding shares of Gem Rocks Mining Resources, Inc. ("Gem Rocks"). Zodiac Gold's head and registered office and principal business address are located at Suite #3606 – 833 Seymour Street, Vancouver, BC V6B 0G4. Zodiac Gold has one wholly owned subsidiary, Gem Rocks.

The Company is in the business of acquisition, exploration, and development of mineral properties. The Company completed the acquisition of Gem Rocks on November 30, 2021 (see "Corporate Highlights"). Gem Rocks was incorporated on December 7, 2011, under the Liberian Business Corporations Act. The Company main project is the "Todi Property" located in the Republic of Liberia ("Liberia").

The Company changed its year end to March 31 from December 31, effective March 31, 2022. For the purposes of the Filing Statement this MD&A reflects the March 31, 2022 (Fiscal 2022), as a 12-month period prepared by management and the balances are unaudited. For further details refer to the Company's consolidated financial statements for the year ended March 31, 2023, and 2022 included in the Filing Statement.

Corporate Highlights – Announced and completed transactions:

Announced: Plan of Arrangement – 1329306 B.C. Ltd and Zodiac Gold Reverse Takeover ("PUB-RTO")

On June 20, 2023, 1329306 B.C. Ltd. (the "ShellCo") and Zodiac Gold entered into a binding letter of intent (the "Letter of Intent") in respect of a proposed transaction (the "PUB-RTO"). Subsequently, ShellCo and Zodiac Gold entered into an arrangement agreement dated August 15, 2023 (the "Arrangement Agreement"), which superseded and replaced the Letter of Intent. Pursuant to the Arrangement Agreement, the PUB-RTO will proceed by way of a plan of arrangement pursuant to which ShellCo will acquire Zodiac Gold in exchange for common shares of ShellCo (the "Arrangement"). Pursuant to the Arrangement, it is anticipated that (i) each common share of ShellCo ("ShellCo Share"), after giving effect to the ShellCo Share Reorganization (as defined below), will be exchanged for one common share of Zodiac Gold (a "Zodiac Share") at a deemed issue price of C$0.18 (per share and (ii) each outstanding warrant and option to acquire a Zodiac Share will exchanged for one warrant or option to acquire a ShellCo Share at the same price and on the same terms and conditions. Following closing of the PUB-RTO, Zodiac Gold will be a wholly-owned subsidiary of ShellCo and will continue the business of Zodiac Gold under the name Zodiac Gold Corp. (the "Resulting Issuer").

Prior to completion of the PUB-RTO, ShellCo will complete a reorganization of its share capital based on a ratio that will have the effect of consolidating the current outstanding ShellCo Shares on a 14:1 basis (the "ShellCo Share Reorganization"). Upon completion of the PUB-RTO, it is anticipated that the Resulting Issuer will be listed as a Tier 2 mining issuer on the TSX Venture Exchange (the "TSX-V"), with Zodiac Gold as its primary operating subsidiary.

In connection with the Arrangement Agreement, ShellCo and Zodiac Gold intend to complete non-brokered private placement financings for aggregate gross proceeds of up to approximately $1.5 million (C$1.99 million) (the "Arrangement Financing"). The proceeds of the Arrangement Financing will be used to pay Arrangement Agreement costs, to finance exploration and related expenses and to fund the working capital requirements of the Resulting Issuer. Pursuant to the Arrangement Financing, Zodiac Gold intends to raise gross proceeds of up to approximately $0.16 million (C$0.2 million) by way of a non-brokered private placement. Each unit consists of one Zodiac Share and one-half of one Zodiac warrant (a "Zodiac Warrant"), with each full warrant allowing the holder to acquire an additional Zodiac Share at a price of $0.185 (C$0.25) per Zodiac Share for a period of two years from the issuance of the Zodiac unit.

Subsequent to March 31, 2023, the ShellCo and the Company entered into two promissory notes pursuant to which ShellCo agreed to loan up to C$250,000 requested by Zodiac Gold from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum. If Zodiac Gold fails to repay any amount owing under the promissory note when due it will be converted into shares of Zodiac Gold at a price of C$0.18 per share. The first promissory note of $74,251 (C$100,000) issued on August 3, 2023, will be repayable on February 3, 2024 and the second promissory note of $109,369 (C$150,000) issued on October 19, 2023, will be repayable on February 19, 2024. Zodiac Gold may repay the promissory notes by the due dates or at such earlier date without penalty.

Completed: Reverse Takeover – Zodiac Gold Inc. and Gem Rocks Mining Resources Inc.

On November 30, 2021, the Company completed a reverse takeover transaction (the "GRM RTO"). The GRM RTO was completed by way of Zodiac Gold's offer to Gem Rocks' shareholders to acquire all of the issued and outstanding common shares of Gem Rocks. The transaction was implemented by way of a Share Exchange Agreement ("SEA"). Under the terms of the SEA, each Gem Rocks shareholder exchanged its Gem Rocks for Zodiac Gold shares on the basis of one Zodiac Gold Share for every 1.3333 Gem Rocks shares. In substance, the transaction resulted in the Gem Rocks shareholders obtaining control of Zodiac Gold.

For accounting purposes, immediately prior to and in connection with the GRM RTO, Gem Rocks effected a share consolidation (the "Share Consolidation") of its common shares on a basis of one post-Share-Consolidation Zodiac Gold share for every 1.3333 pre-Share Consolidation Gem Rocks shares. Following the closing of the GRM RTO, the Company consolidated share capital was 40,795,335. Including Zodiac Gold shares purchased by existing Gem Rocks shareholders in Zodiac Gold's financings pre the GRM RTO, Gem Rocks shareholders held 51% of the total fully diluted shares in the consolidated company.

The Company has reserved 50,000 (0.26%) common shares which represents one Gem Rocks' shareholder who is unable to approve the SEA. The value of the shares based on post-Share-Consolidation is $5,085 and the Company has reserved the shares for later issuance. For additional details refer to Corporate Developments and Outlook.

Atlas One Proposed Transaction - terminated

In November 2022 the Company signed a binding letter of intent ("Atlas LOI") with Atlas One Capital Corporation ("Atlas One"), a capital pool company listed on the TSX-V, in respect of a proposed business transaction ("Proposed Altas Transaction"). The Atlas LOI contemplated that Zodiac Gold and Atlas One would negotiate and enter into a definitive agreement in respect of the Proposed Atlas Transaction on or before November 30, 2022. Pursuant to the Atlas LOI it is anticipated that Atlas One would acquire all of the issued and outstanding Zodiac Gold common shares (the "Zodiac G Shares"), and shareholders of Zodiac Gold would receive Atlas One common shares in exchange for their Zodiac G Shares. On June 5, 2023, the Proposed Atlas Transaction was terminated by both parties with no further obligations to both parties.

Corporate Developments and Outlook

1329306 B.C. Ltd and Zodiac Gold Reverse Takeover

Prior to the completion of the PUB-RTO, Zodiac Gold intends to complete a private placement of units for gross proceeds of up to approximately $158,000 (C$200,000) at a price of C$0.18 per unit (the "Zodiac Financing"). The proceeds of the Zodiac Financing will be used to finance exploration and other expenses relating to the Todi Property and the working capital requirements of the Resulting Issuer. Each Unit consists of one Zodiac Share and one-half of Zodiac Warrant, with each full Zodiac Warrant allowing the holder to acquire an additional Zodiac Share at a price of $0.185 (C$0.25) per Zodiac Share for a period of two years from the date of issuance.

The proceeds from the Arrangement Financing are to be used for Todi Property and Liberian exploration programs, PUB-RTO costs and working capital purposes. In August and October 2023, the ShellCo and the Company enter into promissory notes for C$250,000 with an annual interest rate of 3% and the ShellCo advanced $183,620 (C$250,000) to the Company. Refer to "Corporate Highlights – Announced and completed transactions" section and the "PUB-RTO" for further information.

Private Placement Financings – Fiscal 2023

On November 4, 2022, the Company completed a private placement with the issuance of 3,087,500 units for $0.20 per unit for gross proceeds of $617,500. Each unit consists of one Company common share and one-half of a non-transferable warrant exercisable at $0.30 per share for 24 months after closing. A Zodiac Gold Director subscribed for $7,500 for this private placement.

In January 2023, the Company amended the November 2022 financing terms due to challenging market conditions for its current financing. The amended terms included a unit price of $0.135 and one whole warrants with an exercise price of $0.185 with no other changes. This resulted in additional 1,486,570 units and 3,030,320 share purchase warrants issued.

Private placements financing – subsequent to March 31, 2023

On May 5, 2023, the Company completed a private placement with the issuance of 416,666 C$ units at a price of C$0.18 per unit for gross proceeds of $55,082 (C$75,000) and 3,074,777 US$ units at a price of $0.135 per unit for gross proceeds of $415,095. Each C$ unit consists of one common share of the Company and one non-transferable warrant exercisable at C$0.25 per share for 24 months after closing. Each US$ unit consists of one Company common share and one non-transferable warrant exercisable at $0.185 per share for 24 months after closing.

Payable settlement– subsequent to March 31, 2023

On May 30, 2023, the Company and certain of its Directors and officers agreed to settle $211,125 payables for 1,563,888 common shares of the Company, settle $12,708 payables for 96,263 common shares of the Company and the Chief Executive Officer ("CEO") forgave $67,500 in payables.

On June 7, 2023, the Company issued 140,000 common shares at $0.135 (C$0.18) per share for management consulting services of $18,840. The fair value of the shares was measured at the cost of the services.

On August 20, 2023, the Company and certain creditors of the Company agreed to settle $26,582 payables for 200,000 common shares of the Company.

Warrant amendment– subsequent to March 31, 2023

In April 2023, the Company amended the April 21, April 30, July 30, September 02, and October 15, 2021, US$ (derivative liability warrant)s and C$ share purchase warrant expiry dates. These share purchase warrants had 24 months terms and were set to expire in 2023. The Company amended the expiry date of these issued share purchase warrants issued to the later of (i) the original expiry date as set out in the warrant certificates and (ii) 6 months following the date that the Company completes a public listing on a recognized stock exchange.

Stock-options

The Company granted the following stock options:

- 2,000,000 stock options on April 1, 2022, with an exercise price of C$0.18 and a term of 10 years;
- 450,000 stock options on July 5, 2022, with an exercise price of C$0.18 and a term of 10 years;
- 200,000 stock options on August 10, 2022, with an exercise price of C$0.18 and a term of 10 years;
- 300,000 stock options on April 4, 2023, with an exercise price of C$0.18 and a term of 10 years;
- 100,000 stock options on April 28, 2023, with an exercise price of C$0.18 and a term of 2 years;
- 300,000 stock options on May 2, 2023, with an exercise price of C$0.18 and a term of 3 years;
- 2,450,000 stock options on July 18, 2023, with an exercise price of C$0.18 for a term of 10 years and 265,000 stock options with an exercise price of C$0.18 for a term of 5 years.

Description of the Business

Zodiac Gold is focused on the exploration and potential development of its Todi Property, which is located in the Montserrado and Bomi Townships, approximately 13 km north of Zodiac Gold's office in Monrovia, the capital city of Liberia. The Todi Property consists of one mineral exploration license, which covers an area of 418.38 km^2, and two Reconnaissance Licenses covering a total area of over 2,192.65 km2. Zodiac Gold holds its interest through its wholly owned subsidiary, Gem Rocks.

Selected Financial Information

Results of Operations

Information extracted from the Company's Financial Statements, expressed in US dollars.

		For the year ended March 31, 2023 (audited)		For the year ended March 31, 2022 (unaudited)
Expenses				
Exploration and evaluation costs	$	837,092	$	1,916,571
Investor and shareholder communications		262,291		18,046
Management consulting fees and expenses		131,798		53,392
Office and administration		38,197		15,576
Professional fees		189,850		67,165
Share-based compensation		281,929		--
Loss before other items		(1,741,157)		(2,070,750)
Other income (expense)				
Acquisition expense		--		(823,035)
Fair value change on derivative liability		381,550		65,623
Other income/expenses*		(78,008)		(32,941)
Settlement of payables		25,000		74,569
Net loss for the period	$	(1,412,615)	$	(2,786,534)

* Other Expenses – include bad debts, AP settlement, foreign exchange gain / (loss), and Interest expense – lease liability.

<u>Year ended March 31, 2023 ("Fiscal 2023') compared to year ended March 31, 2022 ("Fiscal 2022" - unaudited)</u>

The Company incurred a loss of $1,412,615 in Fiscal 2023 (Fiscal 2022 loss - $2,786,534). Included in the Fiscal 2023 results were: exploration and evaluation costs of $837,092 (Fiscal 2022 - $1,916,571), investor / shareholder communications of $262,291 (Fiscal 2022 - $18,046), management consulting fees and expenses of $131,798 (Fiscal 2022 - $53,392), professional fees of $189,850 (Fiscal 2022 - $67,165), fair value change of derivative liability of $381,550 (Fiscal 2022 gain - $65,623), share-based payments of $281,929 (Fiscal 222 - $nil) and settlement of payables of $25,000 (Fiscal 2022 -$74,569). Included in Fiscal 2022 was acquisition expense of $823,035 related to the GRM RTO transaction and there were no comparable costs for Fiscal 2023. Below is description of the significant balances and movement.

<u>Exploration and evaluation expenses ("Exploration Expenditures")</u>

In Fiscal 2023, significant Exploration Expenditures were administration of $354,344 (Fiscal 2022 - $520,848), fees and salaries of $166,798 (Fiscal 2022 - $158,169), drilling of $200 (Fiscal 2022 - $448,969) and geology of $222,594 (Fiscal 2022 - $546,682). Decreases in the Fiscal 2023 drilling expenses of $488,769 from Fiscal 2022 is due to no drill program for Fiscal 2023. In Fiscal 2022, the Company drilled 3,400 meters. The decrease in geology is based on reduced exploration program to minimize cash expenditure until the Company is listed. Significant Fiscal 2023 decreases in geology relate to consultant services and daily labour of $82,861, consumables of $85,925, vehicles costs of $60,396 and geology analysis of $50,669.

Decreases in administration relate to the reduction in services and goods to preserve cash until the Company is listed on a stock exchange. Specific decreases for Fiscal 2023 compared to Fiscal 2022 relate to administration consultant services of $48,252, consumables of $48,302, vehicle expenses of $32,684 and insurance of $19,404.

<u>Management consulting fees and expenses</u>

In Fiscal 2023, the Company recorded consulting fees for CEO, Chief Operating Officer, and finance personnel for the day-to-day management of Zodiac Gold. The decrease in Fiscal 2022 expenses is related to decrease in reportable months as the period is from December 2021 to March 2022, as a result of the Gem Rocks Transaction (refer to Sections "Corporate Developments and Outlook" - "Zodiac Gold and Gem Rocks RTO" and "Transactions with Related Parties" for further details).

Investor and shareholder communications

In Fiscal 2023 the Company recorded consulting fees, travel and expenses for marketing and financing activities. For Fiscal 2023, the Company entered into a contract with a marketing firm for $7,500 per month from July 2022 for a total $68,031 and associated with this engagement the company recorded $138,000 for share subscriptions for 1.2 million shares to granted on or before the Company is listed on a stock exchange. In addition, the Company engaged a 2nd marketing advisor for total fees of $33,252. In addition, the overall increase in Fiscal 2023 related to Fiscal 2022 for investor and shareholder communications, relates to a shortened Fiscal 2022 from December 2021 to March 2022, as a result of Gem Rocks Transaction (refer to Section “Corporate Developments and Outlook” - “Zodiac Gold and Gem Rocks RTO”) and during that period Company had incurred travel and entertainment expenses of $18,046.

Professional fees

Professional fees relate to legal, accounting and audit fees with the overall increase in Fiscal 2023 related to Fiscal 2022 being a shortened period from December 2021 to March 2022, as a result of Gem Rocks Transaction (refer to Section “Corporate Developments and Outlook” - “Zodiac Gold and Gem Rocks RTO”). In Fiscal 2023 legal fees of $116,445 (Fiscal 2022 - $23,003) were for the Atlas One Proposed Transaction and stock exchange listing, general legal and corporate secretary services. Audit fees of $58,054 (Fiscal 2022 - $43,324) related to interim financial statement auditor reviews.

Fair value gain and loss on derivative liability

In Fiscal 2023, the Company recorded gain of $381,550 (Fiscal 2022 loss - $65,623) from losses in derivative liability fair value. The change relates to increase in risk fixed rate using in the Black-Scholes pricing option pricing model and the reduced expected life of the derivative liability. Refer to financial instruments section for assumptions.

Share based payments

In Fiscal 2023, the Company granted 2,650,000 stock options for a total fair value of $281,929, in three separate grants. The fair value was calculated using the Black-Scholes option pricing model. The following assumptions ranges were used in the calculations: risk-free interest rate – 2.44% - 3.08%, expected life – 10 years, annualized volatility – 100%, and estimated annual dividend yield and forfeiture rate – 0%.

Settlement in payables

In Fiscal 2023, the gain on settlement relates to the recovery of deposit for cost sharing agreement. In Fiscal 2022, certain officers and creditors of the Company agreed to settle $223,644 owing to them by the Company for 1,596,544 common shares. For accounting purposes, on settlement $162,369 was allocated to share capital and $61,275 to gain on settlement. The fair value of the common shares was estimated based on the most recent price of the common shares issued for cash in private placements. Refer to Section “Transactions with Related Parties” for further details.

Fourth Quarter 2023 Compared to Fourth Quarter 2022

As the Company had not filed any prior quarterly financial statements, the Company has excluded quarterly movement discussion and the quarterly summary table for this MD&A included within the listing document.

Financial Instruments

a) Fair values

The Company’s financial assets and liabilities consist of cash and cash equivalents, accounts payable and derivative liability - warrants. The carrying value of the Company’s cash and cash equivalents is representative of its respective fair value as at March 31, 2023, and March 31, 2022, due to their short-term nature. The fair value of accounts payable may be less than the carrying value as a result of the Company’s credit and liquidity risk.

The derivative liability is fair valued with Black-Scholes option pricing model and is level three in the fair value hierarchy. The following assumptions ranges were used in the calculations: risk-free interest rate – 4.06% to 4.94%, expected life – 0.06 to 1.6 years, annualized volatility – 100%, and estimated annual dividend yield and forfeiture rate – 0%.

The Company's shares do not trade on an active market and as a result the share price was estimated using a recent transaction in which the Company completed a private placement for cash. As at March 31, 2023, a 10% increase or decrease in the estimated fair value of the common shares of the Company would result in an increase or decrease of $26,147 (March 31, 2022 - $74,668), respectively.

b) Management of financial risk

The Company's financial instruments are exposed to certain financial risks, including currency, credit, and liquidity risks.

c) Currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and Liberia and its presentation currency is the United States dollar. The Company incurred foreign denominated expenses in British Pounds, and Canadian Dollars. A significant change in the currency exchange rates between the functional currencies relative to these currencies could have an effect on the Company's results of operations. The Company has not hedged its exposure to currency fluctuations. The Company net exposure as at March 31, 2023, and assuming that all other variables remain constant, a 10% depreciation or appreciation of the United States dollar against these currencies would result in a $26,656 decrease/increase in the Company's consolidated statement of loss and comprehensive loss per annum.

d) 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. Credit risk arises from cash and cash equivalents held with banks. The Company's cash and cash equivalents are held through Canadian banks and Liberian banks. The amounts held in Liberian banks are limited to approximately 30 days working capital of the Liberian operations.

e) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with the financial liabilities. Zodiac Gold has a planning and budget process in place by which it anticipates and determines the funds necessary to support normal operation requirements and development of its mineral property interests for exploration stage enterprises. The Company's investment procedures are to invest its cash in highly liquid short-term interest-bearing investments with maturities greater than 90 days from the original date of acquisition, selected concerning the expected timing of expenditures from continuing operations. The Company ensures that sufficient funds are raised from debt, debentures, private placements, or other sources to meet its operating requirements, after considering existing cash. Refer to Liquidity and Capital Resources for further information.

Liquidity and Capital Resources

The Company has been successful in meeting its working capital requirements through the completion of equity financing. For the year ended March 31, 2023, Zodiac Gold completed a private placement for gross proceeds of $617,500. Subsequent to March 31, 2023, the Company completed a private placement for gross proceeds of $470,177 and certain Directors and officers of the Company agreed to settle $223,833 payables for 1,660,151 common shares.

Zodiac Gold may be impacted by any potential downward trend in market conditions. Trends affecting Zodiac Gold's liquidity may be dictated by the demands on financial resources created by the advancing nature of its planned mineral property interest acquisition and the pursuit of a growth strategy that may target property acquisitions, with the future exploration commitments and the Company's ability to access the financial resources required to meet these demands. As the exploration properties advance through exploration, they typically require more capital-intensive programs that apply pressure to the Company's financial resources. Additional planned exploration programs, future pre-development programs and a pre-feasibility study on its mineral property interests will result in a decrease to the Company's liquidity. Uncertainty is a prevalent element in exploration and therefore can, on occasion, impede the Company's ability to meet its financial requirements and result in an inability to advance exploration assets and meet objectives in a timely manner.

As at March 31, 2023, the Company had cash and cash equivalents of $17,458 and accounts payable and accruals of $929,881. The Company estimates that it does not have currently have available funds to meet requirements for the coming twelve months based on the estimated fiscal 2023-2024 expenditures for operations, exploration programs, and working capital. To address its financing requirements, the Company aims to complete the PUB-RTO transaction, the PUB-RTO financings and listing on a Canadian stock exchange to fund the upcoming 12 months exploration program and working capital. However, there is no assurance that such future financing will be available.

This uncertainty casts significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for the Company's Financial Statements, then adjustments would be necessary to the carrying values of assets, liabilities, the reported income and expenses and the statement of financial position classifications used. Such adjustments could be material.

Management of Capital

Zodiac Gold's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the cost of capital at an acceptable risk. In the management of capital, the Company includes the components of equity attributable to common shareholders. The Company manages the capital structure and adjusts 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 attempt to issue new shares, issue debt, and acquire or dispose of assets. In order to facilitate the management of its capital requirements, the Company prepares annual budgets that are updated as necessary depending on a range of factors, including successful capital deployment and general industry conditions. The CEO reviews the annual budgets.

Capital Expenditures

For Fiscal 2023, the Company reclassified work in progress to leasehold improvements of $11,895 to fixed assets (Fiscal 2022 - $57,055). In Fiscal 2022, the Company completed the construction of camp and core shed buildings for $40,460.

Transactions with Related Parties

During the Fiscal 2023 and Fiscal 2022, the Company entered into the following transactions with related parties. These transactions were in the normal course of business and are recorded at their exchanged amounts that were established and agreed to by the related parties. The balances payable is included in accounts payable and accrual liabilities and are unsecured and non-interest bearing.

	Fiscal 2023 (audited)	Fiscal 2022 (Unaudited)
Services rendered incurred:		
Management fees & expenses (i - iii)	$ 157,747	$ 85,164
Services rendered (iv)	(21,445)	--
Share-based compensation (v)	205,913	--
	$ 342,215	$ 85,164

(i) For Fiscal 2023, the Company incurred $120,000 (Fiscal 2022 - $60,000) to the Company's CEO for management fees of Zodiac Gold and Gem Rocks. As at March 31, 2023, the Company owed the CEO $344,514 (March 31, 2022 - $80,578). Included in the payables were cash advances of $222,150 from the CEO to Gem Rocks. In relation to the GRM RTO, the Company's CEO held 6,350,697 common shares. The Company issued 625,000 Stock Options to the CEO on April 1, 2022, with a fair value of $56,250. During Fiscal 2022, the Company and the CEO agreed to settled payables of $45,000 for 321,428 shares. Subsequent to March 31, 2023, the Company and the CEO agreed to settle payables of $199,125 for 1,475,000 shares.

(ii) For Fiscal 2023, the Company incurred $6,000 (Fiscal 2022 - $nil) for VP of Exploration services to a consultant. As March 31, 2023, the Company owed the VP of Exploration $3,000 (March 31, 2022 - $nil). In relation to the GRM RTO, the VP of Exploration held 187,504 common shares.

(iii) For Fiscal 2023, the Company incurred $31,747 (Fiscal 2022 - $11,579) for Interim CFO and bookkeeping services to a consultant. As at March 31, 2023, the Company owed the consultant $18,078 (March 31, 2022 - $3,227). In relation to the GRM RTO, the consultant held 300,007 common shares. The Company issued 100,000 Stock Options to the consultant on April 1, 2022, with a fair value of $9,000. During Fiscal 2022, the Company and the consultant agreed to settle payables of $81,277 for 580,000 Zodiac Gold common shares. Subsequent to March 31, 2023, the Company and the consultant agreed to settle payables of $12,708 for 96,263 shares.

(iv) The Company's subsidiary entered into a cost-sharing agreement with a Liberian exploration company whereby the Gem Rocks shares its offices, services, and other expenses. The Liberian exploration company has a director in common with Gem Rocks. The six-month agreement commenced on December 1, 2022, with a refundable deposit of $25,000, and a monthly payment of $12,500 due on the first of each month. At the end of the term, unless the agreement is extended, a reconciliation is conducted to determine if any payments are owed to or by the Company based on their share of the expenses. For the year ended March 31, 2023, the Company recognized a reduction of $21,445 in exploration and evaluation expenses and had a receivable of $33,555. On March 31, 2023, the Company deemed the amounts receivable not recoverable and wrote-off the receivable of $33,555 and recorded a recovery of the $25,000 refundable (liability) deposit.

(v) The Company granted Director and officers the following stock options:

- 1,700,000 stock options on April 1, 2022, with a fair value of $153,000; and
- 350,000 stock options on July 5, 2022, with a fair value of $52,913.

Other transactions

A Zodiac Gold Director subscribed $7,500 for the November 4, 2022, financing (March 31, 2022 - $28,000). As at March 31, 2023, the Company had a payable to a director of $12,000 for expenses incurred. Subsequent to March 31, 2023, the Company and the Director agreed to settle the $12,000 payables for 88,888 shares.

Accounting Policy Judgements, Assumptions and Estimates

The preparation of these Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures of contingencies. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Financial Statements is included in the notes to these Financial Statements where applicable. Actual results may differ from these estimates. The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the Company's statement of financial position reported in future periods.

a) Going Concern

These Financial Statements have been prepared on the assumption that the Company is able to continue as a going concern. The Company has estimated its development, exploration, and operational expenditure for the coming 12 months from historical and projected costs of its development, exploration, and corporate programs. The Company's expected commitments is based on management's best estimates of operating conditions for continued exploration work on the Todi Property, on-going evaluation of acquisition targets in Liberia and on-going administration and financing costs in the context of current economic conditions and capital market climate. Management has judged the Company's ability to raise additional capital/funding and continue as a going concern and has concluded that the going concern basis of accounting is appropriate.

b) Derivative liability – warrants

The Company measures the initial warrant liability and subsequent revaluations of the warrant liability by reference to the fair value of the warrants at the date at which they were issued and subsequently revalues them at each reporting date. Estimating fair value for these warrants requires management to determine the most appropriate valuation model. This estimate also requires management to make significant judgments about the capacity in which warrant holders receive warrants, and to make assumptions about the most appropriate inputs to the valuation model including the expected life of the warrants, volatility, and dividend yield.

c) Acquisitions

The allocation of the purchase price in a business combination or asset acquisition, requires estimating the fair value of consideration paid, including, and not limited to common shares, share purchase warrants and subscribed shares, as well the fair value of acquired assets and liabilities. Judgment is used in determining whether an acquisition is a business combination or an asset acquisition.

d) Legal matters

From time to time, the Company is named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to statement of loss and comprehensive loss in that period. The disclosure of further information with respect to ongoing legal matters would be reasonably expected to prejudice the position of the Company in such matters.

e) Existence of Decommissioning and Restoration Costs and the Timing of Expenditure

Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

f) Lease liabilities

All the components of the lease liability are required to be discounted to reflect the present value of the payments. The discount rate to use is the rate implicit in the lease, unless this cannot readily be determined, in which case the lessee's incremental borrowing rate is used instead. The definition of the lessee's incremental borrowing rate states that the rate should represent what the lessee would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Significant judgment is required to estimate an incremental borrowing rate in the context of a right-of-use asset.

g) Share-based compensation and share purchase warrants

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment and share purchase warrant transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumption about them, the assumptions and models used for estimating fair value for share-based payment and warrant transactions.

h) Recoverability of amounts receivable and deposit liability

For the year ended March 31, 2023, the Company recognized a receivable of $33,555 for a cost-sharing agreement with a Liberian exploration company. In connection with the cost-sharing agreement was a $25,000 refundable deposit which can be refunded or allocated for owed amounts.

The Company assessed its ability to collect its outstanding receivables, requiring the judgment of the ability of the Liberian exploration company to pay the owed amounts. The Company has not received any payments from the Liberian exploration company since March 2023. As the Liberian exploration company has no source of revenue, management concluded that the amount receivable was not recoverable. On March 31, 2023, the Company wrote off the receivable of $33,555 and recorded a recovery of the $25,000 refundable deposit for amounts owed.

New Accounting Policies and Accounting Standards Adopted and Not Yet Effective

IFRS adopted

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e., a full-cost approach. Such costs include both the incremental costs of the contract (i.e., costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g., contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022. There was no material impact on the Company's Financial Statements on adoption.

IFRS 3 – Business Combinations ("IFRS 3") was amended. The amendments introduce new exceptions to the recognition and measurement principles in IFRS 3 to ensure that the update in references to the revised conceptual framework does not change which assets and liabilities qualify for recognition in a business combination. An acquirer should apply the definition of a liability in IAS 37 – rather than the definition in the Conceptual Framework – to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy in the scope of International Financial Reporting Interpretations Committee ("IFRIC") 21, the acquirer should apply the criteria in IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. In addition, the amendments clarify that the acquirer should not recognize a contingent asset at the acquisition date. The amendments are effective for annual periods beginning on January 1, 2022. There was no material impact on the Company's Financial Statements om adoption.

IAS 16 – Property, Plant and Equipment was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on January 1, 2022. There was no material impact on the Company's Financial Statements on adoption.

IFRS not yet effective

Certain new standards, interpretations, amendments, and improvements to existing standards for adoption after April 1, 2022, or later were issued by the IASB or IFRIC. The Company is evaluating the potential impacts to its financial statements to the below proposed amendments:

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023. In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

IAS 12 – In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for year ends beginning on or after January 1, 2023.

Additional Disclosure for Venture Issuers without Significant Revenue

Refer to elsewhere in this MD&A or the Company's Financial Statements for capitalized or expensed general and administration expenses, and other material costs.

Outstanding Shares

As at the date of this MD&A, there are 54,034,194 common shares, 29,934,248 share purchase warrants and 6,065,000 stock options issued and outstanding.

Risk Factors

Refer to the Financial Instruments section and the Listing Statement for a discussion of risk factors relevant to the Company.

Approval

As at date of this MD&A, the Board of Directors of Zodiac Gold approved the disclosures contained in this Annual MD&A.

ZODIAC GOLD INC.

INTERIM MD&A - QUARTERLY HIGHLIGHTS

FOR THE THREE MONTHS ENDED

June 30, 2023 (Q1 2024)

This Interim Management's Discussion and Analysis ("Interim MD&A") provides a review of the performance of Zodiac Gold Inc.'s ("Zodiac Gold" or the "Company") operations for the three months ended June 30, 2023 ("Q1 2024"), compared to the three months ended June 30, 2022 ("Q1 2023). This Interim MD&A has been prepared on the basis of available information up to November 14, 2023. This Interim MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements for the three months ended June 30, 2023 (the "Interim Financial Statements" or "Q1 2024"), and the audited financial statements for the year ended March 31, 2023, and the related notes thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). All dollar amounts are expressed in United States ("US" or "$") dollars and Canadian $ ("C$") except where indicated otherwise.

Caution on Forward-Looking Statements

This Interim MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "anticipate", "believe", "plan", "expect", "intend", "estimate", "forecast", "project", "budget", "schedule", "may", "will", "could", "might", "should" or variations of such words or similar words or expressions. Forward- looking information is based on reasonable assumptions that have been made by the Company as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking information, including but not limited to:; success of planned exploration programs, acquisition of companies and associated mineral property interests, acquisition of mineral property interests; risks associated with mineral exploration and development; metal and mineral prices; availability of capital; accuracy of the Company's projections and estimates; interest and exchange rates; competition; stock price fluctuations; availability of drilling equipment and access; actual results of future exploration activities; government regulation; political or economic developments; foreign taxation risks; environmental risks; insurance risks; capital expenditures; operating or technical difficulties in connection with development activities; personnel relations; the speculative nature of strategic metal exploration and development including the risks of diminishing quantities of grades of reserves; contests over title to properties; and changes in project parameters as plans continue to be refined, as well as those risk factors set out in this Interim MD&A.

Forward-looking statements are based on assumptions management believes to be reasonable including but not limited to the price of gold; the demand for gold; the ability to carry on exploration and development activities;; the ability to obtain qualified personnel, equipment and services in a timely and cost-efficient manner; the ability to raise the required financing, the ability to operate in a safe, efficient and effective manner; and the regulatory framework regarding environmental matters, government regulation; political or economic developments; and such other assumptions and factors as set out herein.

Forward-looking statements and forward-looking information contained herein are made as of the date of this Interim MD&A and we disclaim any obligation to update or revise any forward-looking statements or forward-looking information, whether as a result of new information, future events, or results or otherwise, except as required by applicable law. There can be no assurance that forward-looking statements or forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information. All forward-looking statements and forward-looking information attributable to us is expressly qualified by these cautionary statements.

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Overview

Zodiac Gold was incorporated under the provisions of the British Columbia Business Corporations Act on May 26, 2020. The Company was formed with the purposes to acquire all the outstanding shares of Gem Rocks Mining Resources, Inc. ("Gem Rocks"). Zodiac Gold's registered office is located at 3606 – 833 Seymour Street, Vancouver, BC, V6B 0G4 and its principle place of operation located in Monrovia, Republic of Liberia ("Liberia"). Zodiac Gold has one wholly owned subsidiary, Gem Rocks.

The Company is in the business of acquisition, exploration, and development of mineral properties. The Company completed the acquisition of Gem Rocks on November 30, 2021 (see "Corporate Highlights"). Gem Rocks was incorporated on December 7, 2011, under the Liberian Business Corporations Act. The Company main project is the "Todi Property" located in Liberia.

Corporate Highlights – Announced and completed transactions:

Announced: Plan of Arrangement – 1329306 B.C. Ltd and Zodiac Gold Reverse Takeover ("PUB-RTO")

On June 20, 2023, 1329306 B.C. Ltd. (the "ShellCo") and Zodiac Gold entered into a binding letter of intent (the "Letter of Intent") in respect of a proposed transaction (the "PUB-RTO"). Subsequently, ShellCo and Zodiac Gold entered into an arrangement agreement dated August 15, 2023 (the "Arrangement Agreement"), which superseded and replaced the Letter of Intent. Pursuant to the Arrangement Agreement, the PUB-RTO will proceed by way of a plan of arrangement pursuant to which ShellCo will acquire Zodiac Gold in exchange for common shares of ShellCo (the "Arrangement"). Pursuant to the Arrangement, it is anticipated that (i) each common share of ShellCo ("ShellCo Share"), after giving effect to the ShellCo Share Reorganization (as defined below), will be exchanged for one common share of Zodiac Gold (a "Zodiac Share") at a deemed issue price of $0.18 per share and (ii) each outstanding warrant and option to acquire a Zodiac Share will exchanged for one warrant or option to acquire a ShellCo Share at the same price and on the same terms and conditions. Following closing of the PUB-RTO, Zodiac Gold will be a wholly-owned subsidiary of ShellCo and will continue the business of Zodiac Gold under the name Zodiac Gold Corp. (the "Resulting Issuer").

Prior to completion of the PUB-RTO, ShellCo will complete a reorganization of its share capital based on a ratio that will have the effect of consolidating the current outstanding ShellCo Shares on a 14:1 basis (the "ShellCo Share Reorganization").

In connection with the Arrangement Agreement, ShellCo and Zodiac Gold intend to complete non-brokered private placement financings for aggregate gross proceeds of up to approximately $1.5 million (C$1.99 million) (the "Arrangement Financing"). The proceeds of the Arrangement Financing will be used to pay Arrangement Agreement costs, to finance exploration and related expenses and to fund the working capital requirements of the Resulting Issuer. Pursuant to the Arrangement Financing, Zodiac Gold intends to raise gross proceeds of up to approximately $0.16 million (C$0.2 million) by way of a non-brokered private placement. Each unit consists of one Zodiac Share and one-half of one Zodiac warrant (a "Zodiac Warrant"), with each full warrant allowing the holder to acquire an additional Zodiac Share at a price of $0.185 (C$0.25) per Zodiac Share for a period of two years from the issuance of the Zodiac unit.

Upon completion of the PUB-RTO, it is anticipated that the Resulting Issuer will be listed as a Tier 2 mining issuer on the TSX Venture Exchange (the "TSX-V"), with Zodiac Gold as its primary operating subsidiary. Subsequent to June 30, 2023, the ShellCo and the Company entered into two promissory notes pursuant to which ShellCo agreed to loan up to C$250,000 in amounts requested by Zodiac Gold from time to time. Amounts drawn under the promissory note will bear interest at a rate of 3% per annum. The first promissory note of $74,251 (C$100,000) issued on August 3, 2023, will be repayable on February 3, 2024 and the second promissory note of $109,369 (C$150,000) issued on October 19, 2023, will be repayable on February 19, 2024. Zodiac Gold may repay the promissory notes by the due dates or at such earlier date without penalty. If Zodiac Gold fails to repay any amount owing under the promissory note when due it will be converted into shares of Zodiac Gold at a price of C$0.18 per share. For additional details refer to Corporate Developments and Outlook.

Completed: Reverse Takeover – Zodiac Gold Inc. and Gem Rocks Mining Resources Inc.

On November 30, 2021, the Company completed a reverse takeover transaction (the "GemRocks-RTO"). The GemRocks-RTO was completed by way of Zodiac Gold's offer to Gem Rocks' shareholders to acquire all of the issued and outstanding common shares of Gem Rocks. The transaction was implemented by way of a Share

Exchange Agreement ("SEA"). Under the terms of the SEA, each Gem Rocks shareholder exchanged 1.3333 Gem Rocks shares for one common share of Zodiac Gold. In substance, the transaction involves Gem Rocks' shareholders obtaining control of Zodiac Gold.

For accounting purposes, immediately prior to and in connection with the GemRocks-RTO, Gem Rocks effected a share consolidation (the "Share Consolidation") of its common shares on a basis of one post-Share-Consolidation Zodiac Gold share for every 1.3333 pre-Share Consolidation Gem Rocks shares. Following the closing of the GemRocks-RTO, the Company consolidated outstanding shares were 40,795,335. Including Zodiac Gold shares purchased by existing Gem Rocks shareholders in Zodiac Gold's financings pre the GemRocks-RTO, Gem Rocks shareholders held 51% of the total fully diluted shares in the consolidated company. The Company has reserved 50,000 (0.26%) common shares on account of shares issuable to one Gem Rocks shareholder, who has not executed the SEA, with a post consolidation fair value of $5,085.

Atlas One Proposed Transaction - terminated

In November 2022 the Company signed a binding letter of intent ("Atlas LOI") with Atlas One Capital Corporation ("Atlas One"), a capital pool company listed on the TSX-V, in respect of a proposed business transaction ("Proposed Transaction"). The Atlas LOI contemplated that Zodiac Gold and Atlas One would negotiate and enter into a definitive agreement in respect of the Proposed Transaction on or before November 30, 2022. Pursuant to the Atlas LOI it is anticipated that Atlas One would acquire all of the issued and outstanding Zodiac Gold common shares (the "Zodiac G Shares"), and shareholders of Zodiac Gold would receive Atlas One common shares in exchange for their Zodiac G Shares. On June 5, 2023, the Proposed Transaction was terminated by both parties with no further obligations to both parties.

Corporate Developments and Outlook

1329306 B.C. Ltd and Zodiac Gold Reverse Takeover

Prior to the completion of the PUB-RTO, Zodiac Gold intends to complete a private placement of units (the "Units") for gross proceeds of up to approximately $158,000 (C$200,000) at a price of C$0.18 per unit (the "Zodiac Financing"). The proceeds of the Zodiac Financing will be used to finance exploration and other expenses relating to the Todi Property and the working capital requirements of the Resulting Issuer. Each Unit consists of one Zodiac Share and one-half of one Zodiac share purchase warrant (a "Zodiac Warrant"), with each full Zodiac Warrant allowing the holder to acquire an additional Zodiac Share at a price of C$0.25 for a period of two years from the date of issuance.

The proceeds from the Arrangement Financing are to be used for Todi Property and Liberian exploration programs, PUB-RTO and working capital purposes. Subsequent to June 30, 2023, the ShellCo and the Company enter into promissory agreements for up C$250,000 with an annual interest rate of 3%. At the date of the Interim MD&A, the ShellCo had advanced C$250,000 to the Company. Refer to "Corporate Highlights – Announced and completed transactions" section and the "PUB-RTO" for further information.

Private placements financing

On May 5, 2023, the Company completed a private placement with the issuance of 3,074,777 units for $0.135 per unit and 416,666 units for C$0.18 for gross proceeds of $470,177, including $49,975 from subscribed shares. Each $0.135 and C$0.18 unit consists of one Company common share and one-half of a non-transferable warrant exercisable at $0.185 and C$0.25, respectively, for one whole warrant for 24 months after closing. The Company fair valued the warrants issued for Canadian subscriptions for $4,831 and fair valued the warrants issued for US subscriptions for $61,496.

Payable settlement

On May 30, 2023, The Company and certain Directors and officers of the Company agreed to settle $211,125 payables for 1,563,888 common shares of the Company, settle $12,708 (C$17,280) payables for 96,293 common shares of the Company. The Chief Executive Officer (the "CEO") forgave $67,500 in payables related to Gem Rocks (Zodiac Gold's subsidiary).

On June 7, 2023, the Company issued 140,000 common shares at $0.135 (C$0.18) per share for management consulting services of $18,840. The fair value of the shares was measured at the cost of the services.

On August 20, 2023, the Company and certain creditors of the Company agreed to settle $26,582 payables for 200,000 common shares of the Company.

<u>Warrant amendment</u>

In April 2023, the Company amended the April 21, April 30, July 30, September 02, and October 15, 2021, share purchase warrant expiry dates. For accounting purposes, the derivative liability warrants were required to revalued (the "Modified Warrants"). These Modified Warrants had 24 months terms and were set to expire in 2023. The Company amended the expiry date of these issued share purchase warrants issued to the later of (i) the original expiry date as set out in the warrant certificates and (ii) 6 months following the date that the Company completes a public listing on a recognized stock exchange. The Company fair valued the Modified Warrants issued for $272,762.

<u>Stock-options</u>

The Company granted the following stock options:

- 300,000 stock options on April 4, 2023, with an exercise price of C$0.18 and a term of 10 years;
- 100,000 stock options on April 28, 2023, with an exercise price of C$0.18 and a term of 2 years;
- 300,000 stock options on May 2, 2023, with an exercise price of C$0.18 and a term of 3 years; and
- 2,450,000 stock options on July 18, 2023, with an exercise price of C$0.18 for a term of 10 years and 265,000 stock options with an exercise price of C$0.18 for a term of 5 years.

Description of the Business

Zodiac Gold is focused on the exploration and potential development of its Todi Property, which is located in the Montserrado and Bomi Townships, approximately 13 km north of Zodiac Gold's operational office in Monrovia, the capital city of Liberia. The Todi Property consists of one mineral exploration license, which covers an area of 418.38 km^2, and two reconnaissance licenses covering a total area of over 2,192.65 km2. Zodiac Gold holds its interest through its wholly owned subsidiary, Gem Rocks.

Results of Operations

Information extracted from the Company's Interim Financial Statements, expressed in US dollars.

	Three months ended June 30, 2023	Three months ended June 30, 2022
Revenue	$ Nil	$ Nil
Exploration and evaluation expenditures	212,831	339,008
Investor/shareholder communications	19,615	28,366
Management consulting fees and expenses	55,199	35,289
Office and administration	22,003	5,991
Professional fees	16,575	32,337
Share-based compensation	59,537	183,148
Gain Settlement of payables	(67,500)	--
Interest accretion	(58,972)	--
Fair value change on derivative liability	(14,076)	(60,417)
Other expenditures*	43,368	(3,338)
Net loss for the period	(288,580)	(560,384)
Comprehensive loss for the period and attributable to shareholders	(277,565)	(557,207)
Basic and diluted loss per share and attributable to shareholders	$ (0.01)	$ (0.01)
Weighted average number of common shares used in the calculation of loss per share – basic and diluted	50,758,675	43,968,530
Distributions or Dividends	$ Nil	$ Nil

<u>Loss for the three months ended June 30, 2023 ("Q1 2024") compared to three months ended June 30, 2022 ("Q1 2023")</u>

The Company incurred a loss of $288,580 in Q1 2024 (Q1 2023 - $560,384). Included in the results were exploration and evaluation expenses of $212,831 (Q1 2023 - $339,008), management consulting fees of $55,199 (Q1 2023 - $35,289); share based payments of $59,537 (Q1 2023 - $183,148); settlement of payables of $67,500 (Q1 2023 - $nil); interest accretion of $58,972 (Q1 2023 - $nil) and fair value change on the derivative liabilities of $14,076 (Q1 2023 fair value change - $60,417). Below is description of the significant balances.

Exploration and evaluation expenditure ("Exploration Expenditures")

The Company incurred Exploration Expenditures of $212,831 in Q1 2024 compared to $339,008 in Q1 2023. The decrease of $126,177 is primarily a result of the Company minimizing costs until the Arrangement Financing is closed and the timing of exploration activities. In Q1 2024, significant Exploration Expenditures included $67,070 in geological expenditure (Q1 2023 − $150,136), drilling of $20,052 (Q1 2023 − $nil) and license costs of $22,665 (Q1 2023 - $300). The geological expenses relate to geologist consultants of $47,992 (Q1 2023 - $65,262) involved in the exploration and drilling program. The Company commenced the drill phase 1 program of approx. 500 meters with the completion of 190m as at June 30, 2023. There was no comparable program in Q1 2023. There was no geological analysis performed in Q1 2024 (Q1 2023 - $43,293). License costs represent amortized costs of the company's prepayment of annual exploration and reconnaissance licenses.

Camp and administration costs ("camp costs") of $45,846 (Q1 2023 − $116,095) represents in-country expenses such as salary, legal, accounting, office costs, and project management expenses to manage the foreign operations. The decrease in camp and administration of $70,249 is consistent with the Company strategy to minimize costs until the Arrangement Financing is closed. Included in these savings was $39,400 to camp costs was a result of the Company sharing office and services with companies (see "Related Party Transactions" for further information). The reduction in community relations of $20,298 is a result of timing of programs and spending.

Management consulting fees and expenses

In Q1 2024, the Company recorded consulting fees for CEO, VP of exploration, and the finance team for the day-to-day management of Zodiac Gold. Refer to Section "Related Party Transactions" for further information on the key executives In addition, the Company recorded $18,840 (Q1 2023 - $Nil) for management services for a consultant to assist with strategy and planning. The Q1 2023 fees did not include VP of Exploration fees and included CEO fees for Zodiac Gold and Gem Rocks. In Q1 2024 the CEO only received fees from Zodiac Gold.

Share based payments

In Q1 2024 the Company granted 700,000 stock options for a fair value of $59,537. In Q1 2023, the Company granted 2,000,000 stock options for a fair value of $183,148. Refer to Section "Related Party Transactions" for stock grants to key management personnel.

Settlement of payables

In Q1 2024, the Company CEO forgave $67,500 payables for Gem Rock management fees. There was no comparable transaction for Q1 2023. Refer to the section "Corporate Developments and Outlook" for further details.

Fair value change on derivative liability

In Q1 2024, the Company recorded fair value change of $14,076 compared to a Q1 2023 fair value change of $60,417. The change is a result of the revaluation of the warrant modification resetting the 2021 grants and the revaluation of the derivative warrant liability as at June 30, 2023.

Interest accretion

The Company signed agreements, dated June 30, 2023, with certain related parties and creditors to defer accounts payables of $218,819. Of the long-term payables, $55,561 plus accrued interest is due on December 31, 2024 with an annual interest rate of 5% and $163,258 is due on March 31, 2025 and is non-interest bearing. As the interest rate is below the market rate for debt to the Company, estimated at 20%, the deferred accounts payable have been present valued to $159,848 as of June 30, 2023 and will be accredited to its face value of $218,819 until March 31, 2025. As a result, the fair value the Company recognized $58,972 interest rate benefit gain.

Financial Instruments

All financial instruments are required to be measured at fair value on initial recognition. Fair value is based on quoted market prices unless the financial instruments are not traded in an active market. In this case, the fair value is determined by using valuation techniques like the Black-Scholes option pricing model or other valuation techniques. Measurement in subsequent periods depends on the classification of the financial instrument. A description of financial instruments and their fair value is included in the Q1 2024 Interim Financial Statements and the audited consolidated financial statements for the year ended March 31, 2023.

In the normal course of business, the Company is inherently exposed to certain financial risks, including market risk, credit risk and liquidity risk, through the use of financial instruments. The timeframe and the manner in which the Company manages these risks varies based upon our assessment of these risks and available alternatives for mitigation. Zodiac Gold does not acquire or issue derivative financial instruments for trading or speculative purposes. All transactions undertaken are to support Zodiac Gold's operations.

Liquidity

As at June 30, 2023, the Company had current assets of $215,273 (March 31, 2023 - $130,646) to settle current liabilities of $990,272 (March 31, 2023 - $1,181,880). Included in current liabilities is a non-cash liability of $553,881 (March 31, 2023 - $233,699) for derivative liability – warrants. For Q1 2024, Zodiac Gold closed one tranche for gross proceeds of $470,177 and settled payables of $242,673.

The Company estimates that it does not have available funds to meet requirements for the coming twelve months based on the estimated expenditures for operations, IPO, Mt Coffee exploration programs, and working capital. To address its financing requirements, the Company will seek financing through and not limited to equity financing as part of an closing the PUB-RTO including the Arrangement Financing, debt financing, and/or strategic alliances. However, there is no assurance that such financing will be available. This uncertainty casts significant doubt upon the Company's ability to continue as a going concern. If the going concern assumption were not appropriate for Company's Financial Statements, then adjustments would be necessary to the carrying values of assets, liabilities, the reported income and expenses and the statement of financial position classifications used. Such adjustments could be material.

Capital Resources

Zodiac Gold has been successful in meeting its working capital requirements through the completion of private placements. The Company has planned the PUB-RTO financings to meet its future requirement for working capital and the acquisition of Gem Rocks. As part of the PUB-RTO, the Company has commenced financing to meet its working capital requirements, the PUB-RTO costs, and its exploration programs.

Zodiac Gold may be impacted by any potential downward trend in market conditions. Trends affecting Zodiac Gold's liquidity may be dictated by the demands on financial resources created by the advancing nature of its planned mineral property interest acquisition and the pursuit of a growth strategy that may target property acquisitions, with the future exploration commitments and the Company's ability to access the financial resources required to meet these demands. As the exploration properties advance through exploration, they typically require more capital-intensive programs that apply pressure to the Company's financial resources. Additional planned exploration programs, future pre-development programs and a pre-feasibility study on its mineral property interests will result in a decrease to the Company's liquidity.

In acquiring the required capital to pursue the Company's business plan, capital will be generated from a combination of accessing equity markets, procuring industry partners for its primary exploration assets or sale of exploration assets for equity positions or cash. In the event that additional funding is required, there can be no assurances that such funds will be available and/or on terms acceptable by the Company.

Trends that affect the market generally, and the perception of Zodiac Gold within the marketplace, can affect the Company's ability to access capital in both a positive and negative way. Trends in this general market are defined by fluctuations in the global economy and the demand for metals and commodity prices. Trends in the perception of Zodiac Gold in the resource marketplace will be affected by general trends in the resource equity markets, the Company's performance in creating shareholder value and in demonstrating the ability to manage the Company's affairs and achieve mandated objectives. Uncertainty is a prevalent element in exploration and therefore can, on occasion, impede the Company's ability to meet its financial requirements and result in an inability to advance exploration assets and meet objectives in a timely manner.

Management of Capital

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the cost of capital at an acceptable risk.

In the management of capital, the Company includes the components of equity attributable to common shareholders and equity component of convertibles debentures. The Company manages the capital structure and adjusts 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 attempt to issue new shares, issue debt, and acquire or dispose of assets. In order to facilitate the management of its capital requirements, Zodiac Gold prepares annual budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The CEO reviews the annual and updated budgets. The Company's investment procedures are to limit any investments to guaranteed investment certificates, banker's acceptance notes, investment savings accounts or money market funds with high quality financial institutions in Canada, selected concerning the expected timing of expenditures from continuing operations.

Capital Expenditures

For Q1, 2024 and 2023, the Company had not incurred any Capital Expenditures.

Summary of quarterly results

As the Company had not filed any prior quarterly financial statements, the Company has excluded quarterly summary table for this Interim MD&A included within the listing document.

Transactions with Related Parties

In the normal course of business, the Company transacted with individuals and companies considered to be related parties. These transactions were in the normal course of business that is recorded at their exchanged amounts and was established and agreed to by the related parties. Related party expenses for Q1 2024 are recorded within Management consulting fees and exploration expenses and the balances payable included in accounts payable and accrued liabilities.

Related Party services & fees

	For the three months ended June 30, 2023	2022
Services rendered incurred:		
Management fees (i- iii)	$ 41,318	$ 38,637
Services rendered (vi)	(25,000)	--
Share-based compensation (i,iii & v)	--	153,000
	$ 16,318	$ 191,637

Related Party payables

	June 30, 2023	March 31, 2023
Balances payable to:		
Management fees & expenses (i – iii)	$ 43,084	$ 155,442
Advances payable (i)	64,275	222,150
	$ 107,359	$ 377,592

Related parties' transactions:

(i) For Q1 2024, the Company incurred $22,500 (Q1 2023 - $30,000) to the Company's CEO for management fees of Zodiac Gold and Gem Rocks. As at June 30, 2023, the Company owed the CEO $99,139 (March 31, 2023 - $344,514). Included in the payables were cash advances of $64,275 (March 31, 2023 - $222,150) from the CEO to Gem Rocks. On May 30, 2023, the Company and the CEO agreed to settle payables of $199,125 for 1,475,000 shares and forgave $67,500 in payables. As at June 30, 2023, the CEO agreed to defer $99,461 in payables until March 2024. For Q1 2023, the Company granted 625,000 stock options with a fair value of $56,250.

(ii) For Q1 2024, the Company incurred $11,000 (Q1 2023 - $nil) for Vice-President (VP) of Exploration services to a consultant. As June 30, 2023, the Company owed the VP of Exploration $nil (March 31, 2023 - $3,000).

(iii) For Q1 2024, the Company incurred $7,818 (Q1 2023 - $8,637) for Interim CFO and bookkeeping services to a consultant. As at June 30, 2023, the Company owed the consultant $8,220 (March 31, 2023 - $18,078). On May 30, 2023, the Company and the consultant agreed to settle payables of $12,708 for 96,263 shares. As at June 30, 2023, the Interim CFO agreed to defer $8,220 in payables until March 2024. For Q1 2023, the Company granted 100,000 stock options with a fair value of $9,000.

(iv) As at June 30, 2023, the Company had a payable to a director of $nil (March 31, 2023 - $12,000). On May 30, 2023, the Company and the Director agreed to settle the $12,000 payables for 88,888 shares.

(v) For the Q1 2023, the Company granted 975,000 stock options, excluding stock options in item (i) and (iii) above, to certain Directors with a fair value of $87,750.

(vi) The Company's subsidiary entered into a cost-sharing agreement with a Liberian exploration company whereby the Gem Rocks shares its offices, services, and other expenses. The Liberian exploration company has a director in common with Gem Rocks. The six-month agreement commenced on December 1, 2022, with a monthly payment of $12,500 excluding taxes due on the first of each month. At the end of the term, May 31, 2023, unless the agreement is extended, a reconciliation is conducted to determine if any payments are owed to or by the Company based on their share of the expenses. As at June 30, 2023, the Company deemed the amounts receivable not recoverable and wrote-off the receivable of $27,500 (March 31, 2023 -$33,555).

Accounting Policy Judgements, Assumptions and Estimates

The preparation of the Interim Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures of contingencies. Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the notes to the financial statements where applicable. Actual results may differ from these estimates.

Judgments, estimates, and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The Company has identified the following critical accounting policies under which significant judgments, estimates and assumptions are made where actual results may differ from these estimates under different assumptions and conditions and may materially affect financial results or the Company's statement of financial position reported in future periods.

a) Going Concern

These Interim Financial Statements have been prepared on the assumption that the Company is able to continue as a going concern. The Company has estimated its development, exploration, and operational expenditure for the coming 12 months from historical and projected costs of its development, exploration, and corporate programs. The Company's expected commitments is based on management's best estimates of operating conditions for continued exploration work on the Todi Property, on-going evaluation of acquisition exploration targets in Liberia and on-going administration and financing costs in the context of current economic conditions and capital market climate. Management has judged the Company's ability to raise additional capital/funding and continue as a going concern and has concluded that the going concern basis of accounting is appropriate.

b) Derivative liability – warrants

The Company measures the initial warrant liability and subsequent revaluations of the warrant liability by reference to the fair value of the warrants at the date at which they were issued and subsequently revalues them at each reporting date. Estimating fair value for these warrants requires management to determine the most appropriate valuation model. This estimate also requires management to make significant judgments about the capacity in which warrant holders receive warrants, and to make assumptions about the most appropriate inputs to the valuation model including the expected life of the warrants, volatility, and dividend yield.

c) Acquisitions

The allocation of the purchase price in a business combination or asset acquisition, requires estimating the fair value of consideration paid, including, and not limited to common shares, share purchase warrants and subscribed shares, as well the fair value of acquired assets and liabilities. Judgment is used in determining whether an acquisition is a business combination or an asset acquisition.

d) Legal matters

From time to time, the Company is named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differ from these estimates, the difference will be accounted for as a charge to statement of loss and comprehensive loss in that period. The disclosure of further information with respect to ongoing legal matters would be reasonably expected to prejudice the position of the Company in such matters.

e) Existence of Decommissioning and Restoration Costs and the Timing of Expenditure

Decommissioning, restoration, and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements and constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning of the mine. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities.

f) Lease liabilities

All the components of the lease liability are required to be discounted to reflect the present value of the payments. The discount rate to use is the rate implicit in the lease, unless this cannot readily be determined, in which case the lessee's incremental borrowing rate is used instead. The definition of the lessee's incremental borrowing rate states that the rate should represent what the lessee would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment. Significant judgment is required to estimate an incremental borrowing rate in the context of a right-of-use asset.

g) Share-based compensation ("Stock Options") and share purchase warrants

The Company measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment and share purchase warrant transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumption about them.

h) Recoverability of amounts receivable and deposit liability

For the three months ended June 30, 2023, the Company recognized a receivable of $27,500 for a cost-sharing agreement with a Liberian exploration company. The Company assessed its ability to collect its outstanding receivables, requiring the judgment of the ability of the Liberian exploration company to pay the owed amounts. The Company has not received any payments from the Liberian exploration company since March 2023. As the Liberian exploration company has no source of revenue, management concluded that the amount receivable was not recoverable. On June 30, 2023, the Company wrote off the receivable of $27,500.

i) Warrant modification

On April 17, 2023, the Company modified certain derivative liability warrant grants with extending the expiry to be either (i) the original expiry date as set out in the warrant certificates or (ii) 6 months following the date that the Company completes a public listing on a recognized stock exchange. The Company used the Black-Scholes Option Pricing model to fair value the modification which includes the input of expiry. The Company estimated the revised expiry date to be one year from April 17, 2023. There were no other changes to the warrant terms.

j) Long-term payables – discount rate used

The determination of the Company's amortized cost of its long-term payables depends on certain assumptions, which include the selection of the discount rate. The discount rate is set by reference to the estimated market rate of a similar loan. Significant assumptions are required to be made when determining which borrowing rates to apply in this determination. Changes in the assumptions used may have a significant effect on the Company's financial statements.

New Accounting Policies and Accounting Standards Adopted and Not Yet Effective

Adopted

Amendments to IAS 1 - Presentation of Financial Statements. As part of its amendments, the International Accounting Standards Board (the "IASB") has removed the requirement for a right to be unconditional and instead, now requires that a right to defer settlement must have substance and exist at the end of the reporting period. A company classifies a liability as noncurrent if it has a right to defer settlement for at least 12-months after the reporting period. The amendments clarify how a company classifies a liability that includes a counterparty conversion option, which could be recognized as either equity or a liability separately from the liability component under IAS 32 - Financial Instruments Presentation. The Company has concluded that the adoption of the amendments had no significant impact on its Interim Financial Statements.

IAS 8 – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023. The Company has concluded that the adoption of the amendments had no significant impact on its Interim Financial Statements.

IAS 12 – In May 2021, the IASB issued 'Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction' that clarifies how entities account for deferred tax on transactions such as leases and decommissioning obligations. The amendments are effective for year ends beginning on or after January 1, 2023. The Company has concluded that the adoption of the amendments had no significant impact on its Interim Financial Statements.

Additional Disclosure for Venture Issuers without Significant Revenue

Refer to elsewhere in this Interim MD&A or the Company's Interim Financial Statements for capitalized or expensed general and administration expenses, and other material costs.

Outstanding Shares

As at the date of this Interim MD&A, there are 54,034,194 common shares, 29,934,248 share purchase warrants and 6,065,000 stock options issued and outstanding.

Risk Factors

Refer to the Financial Instruments section and the Listing Statement for a discussion of risk factors relevant to the Company.

Approval

As at the date of this Interim MD&A, the Board of Directors of Zodiac Gold approved the disclosure contained in this Interim MD&A.

APPENDIX F

CERTIFICATE OF 1329306 B.C. LTD.

The foregoing constitutes full, true, and plain disclosure of all material facts relating to the securities of 1329306 B.C. Ltd. assuming completion of the Transaction.

DATED November 14, 2023

"*Robin McWatt*"

Robin McWatt
Director, Chief Executive Officer, and
Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF 1329306 B.C. LTD.

"*Antonio Newson*"

Antonio Newson
Director

"*Joshua Rosenkrantz*"

Joshua Rosenkrantz
Director

APPENDIX G

CERTIFICATE OF ZODIAC GOLD INC.

The foregoing document as it relates to Zodiac Gold Inc. ("**Zodiac**") constitutes full, true, and plain disclosure of all material facts relating to the securities of Zodiac.

DATED November 14, 2023

"David Kol"	*"Peter Granata"*
David Kol Chief Executive Officer	Peter Granata Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS OF ZODIAC GOLD INC.

"Douglas Cater"	*"Graham Warren*"
Douglas Cater Director	Graham Warren Director

APPENDIX H

ACKNOWLEDGEMENT – PERSONAL INFORMATION

"Personal Information" means any information about an identifiable individual, and includes information contained in any Items in the attached filing statement/information circular that are analogous to Items 4.2, 11, 13.1, 16, 18.2, 19.2, 24, 25, 27, 32.3, 33, 34, 35, 36, 37, 38, 39, 41 and 42 of Form 3D2, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

(a) the disclosure of Personal Information by the undersigned to the Exchange (as defined in Appendix 6B) pursuant to TSXV Form 3D2; and

(b) the collection, use, and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

ON BEHALF OF 1329306 B.C. LTD.

"Robin McWatt"
Robin McWatt
Director, Chief Executive Officer, and
Chief Financial Officer