

AARDVARK VENTURES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended February 28, 2023 and 2022

Unaudited – Prepared by Management

(Presented in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Aardvark Ventures Inc.

Condensed Interim Statements of Financial Position

Unaudited – Prepared by Management

Presented in Canadian dollars

	February 28, 2023	August 31, 2022
ASSETS		
Current		
Cash	\$ 727	\$ 2,999
GST receivable	1,571	3,395
	\$ 2,298	\$ 6,394
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 385,988	\$ 351,648
Due to related parties (Note 5)	77,640	61,890
	463,628	413,538
SHAREHOLDERS' EQUITY (DEFICIENCY)		
Share Capital (Note 4)	56,862,888	56,862,888
Contributed Surplus	13,543,304	13,543,304
Deficit	(70,867,522)	(70,813,336)
	(461,330)	(407,144)
	\$ 2,298	\$ 6,394

Nature of Operations and Going Concern (Note 1)

ON BEHALF OF THE BOARD:

"Gary Monaghan" Director

"Gordon Villeneuve" Director

- See Accompanying Notes -

Aardvark Ventures Inc.

Condensed Interim Statements of Loss and Comprehensive Loss

Unaudited – Prepared by Management

Presented in Canadian dollars

	Three months ended February 28, 2023	Three months ended February 28, 2022	Six months ended February 28, 2023	Six months ended February 28, 2022
Expenses				
Accounting and audit (Note 5)	\$ 8,900	\$ 9,100	\$ 17,400	\$ 16,600
Consulting	15,000	15,000	30,000	30,000
Legal	470	9,719	1,574	11,466
Office	158	77	265	182
Transfer agent and filing fees	4,166	57,352	4,947	66,403
Loss and comprehensive loss for the period	\$ (28,694)	\$ (91,248)	\$ (54,186)	\$ (124,651)
Loss per share - basic and diluted	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	123,864,898	123,864,898	123,864,898	123,864,898

- See Accompanying Notes -

Aardvark Ventures Inc.

Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)

Unaudited – Prepared by Management

Presented in Canadian dollars

	Number of Shares	Share Capital \$	Contributed Surplus \$	Deficit \$	Total \$
Balance as at August 31, 2021	123,864,898	56,862,888	13,543,304	(70,623,318)	(217,126)
Loss for the period	-	-	-	(124,651)	(124,651)
Balance as at February 28, 2022	123,864,898	56,862,888	13,543,304	(70,747,969)	(341,777)
Balance as at August 31, 2022	123,864,898	56,862,888	13,543,304	(70,813,336)	(407,144)
Loss for the period	-	-	-	(54,186)	(54,186)
Balance as at February 28, 2023	123,864,898	56,862,888	13,543,304	(70,867,522)	(461,330)

- See Accompanying Notes -

Aardvark Ventures Inc.
Condensed Interim Statements of Cash Flows
Unaudited – Prepared by Management
For the Six Months Ended February 28,
Presented in Canadian dollars

	2023	2022
Cash provided by (used in)		
Operating activities		
Loss for the period	\$ (54,186)	\$ (124,651)
Changes in non-cash working capital:		
GST receivable	1,824	(890)
Accounts payable and accruals	34,340	183,255
Due to related parties	15,750	(56,265)
	<u>(2,272)</u>	<u>1,449</u>
Change in cash	(2,272)	1,449
Cash (bank indebtedness) – beginning	2,999	(215)
Cash – end	\$ 727	\$ 1,234

There were no supplemental disclosures with respect to cash flows for the periods ended February 28, 2023 and 2022.

- See Accompanying Notes -

Aardvark Ventures Inc.

Notes to the Condensed Interim Financial Statements

Unaudited – Prepared by Management

For the six months ended February 28, 2023 and 2022

Presented in Canadian dollars

1. Nature of Operations and Going Concern

Aardvark Ventures Inc. (the “Company”) is a resource company which was listed on the TSX Venture Exchange under the symbol “ROK”. The Company’s head office is located at 750 West Pender St., Suite 250, Vancouver, BC, Canada, V6C 2T7.

On October 11, 2012, trading in the shares of the Company was suspended by the TSX-V for not meeting listing requirements for composition of the board of directors. On November 5, 2013 the Company’s securities were delisted from the TSX-V for failure to pay its Annual Sustaining Fee.

On February 16, 2022, the British Columbia Securities Commission and the Ontario Securities Commission (collectively, the “Commissions”) revoked their cease trade orders issued against the Company. The Company’s common shares were cease traded by the Commissions for failure to file annual financial statements and management’s discussion and analysis for the fiscal year ended August 31, 2015. The annual financial statements and management’s discussion and analysis for the fiscal years ended August 31, 2021, 2020, 2019 and 2018, along with the interim financial statements and management’s discussion and analysis for the three-month period ended November 30, 2021, were filed by the Company effective January 10, 2022 and January 25, 2022.

These condensed interim financial statements have been prepared assuming the Company will continue on a going-concern basis and be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the period ended February 28, 2023, the Company reported a loss of \$54,186 and an accumulated deficit of \$70,867,522 at that date. The Company had a working capital deficiency of \$461,330 at February 28, 2023. These circumstances lend significant doubt as to the ability of the Company to continue as a going concern.

Continuing operations as a going concern are dependent upon management’s ability to raise adequate financing in the capital markets and to ultimately achieve profitable operations in the future. Although management has been successful in the past; there is no assurance that these initiatives will be successful in the future.

These condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary were the going concern assumption inappropriate, and these adjustments could be material.

2. Basis of Preparation and Significant Accounting Judgments, Estimates and Assumptions

The condensed interim financial statements of the Company, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting.

These condensed interim financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These condensed interim financial statements are presented in Canadian Dollars, which is also the Company’s functional currency, unless otherwise indicated.

The Board of Directors approved these condensed interim financial statements on April 18, 2023.

Aardvark Ventures Inc.

Notes to the Condensed Interim Financial Statements

Unaudited – Prepared by Management

For the six months ended February 28, 2023 and 2022

Presented in Canadian dollars

2. Basis of Preparation and Significant Accounting Judgments, Estimates and Assumptions (continued)

The preparation of these condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

a) Significant judgments

The most significant judgments in applying the Company's accounting policies include the assessment of the Company's ability to continue as a going concern and the classification/allocation of expenditures as exploration and evaluation expenditures or operating expenses.

b) Significant estimates and assumptions

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income/loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets and provisions for restoration and environmental obligations.

3. Significant Accounting Policies

The significant accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company for the year ended August 31, 2022.

4. Shareholders' Equity (Deficiency)

The authorized share capital of the Company consists of an unlimited number of common shares without par value. At February 28, 2023 and August 31, 2022 there were 123,864,898 common shares outstanding.

There were no share issuances during the period ended February 28, 2023 and the year ended August 31, 2022.

No stock options or warrants were outstanding as at or during the period ended February 28, 2023 and the year ended August 31, 2022.

Aardvark Ventures Inc.

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5. Related Party Transactions

Related party transactions were in the normal course of operations and measured at the exchange amount, which is the amount established and agreed to by the related parties. Key management personnel are the persons responsible for planning, directing and controlling the activities of the Company, and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all directors and officers of the Company to be key management personnel.

During the period ended February 28, 2023, the Company incurred \$15,000 in accounting fees (2022 - \$15,000) to an accounting firm of which a director of the Company is a partner. As at February 28, 2023, there was \$55,125 (August 31, 2022 - \$39,375) due to this firm. This amount is non-interest bearing with no stated terms of payment.

As at February 28, 2023, there was \$22,515 (August 31, 2022 - \$22,515) due to a partner, who is a director of the Company, of the above-noted accounting firm for expense reimbursements. This amount is non-interest bearing with no stated terms of payment.

6. Financial Instruments and Risk Management

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

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

a) *Credit risk*

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. The Company has deposited the cash with its bank from which management believes the risk of loss is remote.

b) *Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Accounts payable and accrued liabilities are due within the current operating period.

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6. Financial Instruments and Risk Management (continued)

c) *Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

d) *Interest rate risk*

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on call with financial institutions.

e) *Commodity price risk*

The ability of the Company to finance the exploration and development of its properties and the future profitability of the Company is directly related to the market price of the primary minerals identified in its mineral properties. Mineral prices fluctuate on a daily basis and are affected by a number of factors beyond the Company's control. A sustained, significant decline in the prices of the primary minerals or in the share prices of junior mineral exploration companies in general, could have a negative impact on the Company's ability to raise additional capital. Sensitivity to commodity price risk is remote since the Company has not established any reserves or production.

7. Capital Risk Management

The Company defines its capital as all components of shareholders' equity. The Company's objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company's approach to managing capital during the period.