

MABEL VENTURES INC. (formerly AARDVARK VENTURES INC.)

CONDENSED INTERIM FINANCIAL STATEMENTS

Three and Nine Months Ended May 31, 2023 and 2022

Unaudited – Prepared by Management

(Presented in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

The accompanying unaudited condensed interim consolidated financial statements of Mabel Ventures Inc. (formerly Aardvark Ventures Inc.) have been prepared by and are the responsibility of management. In accordance with National Instrument 51-102, the company discloses that its independent auditor has not performed a review of these condensed interim consolidated financial statements.

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.)
Condensed Interim Statements of Financial Position
Unaudited – Prepared by Management
Presented in Canadian Dollars

| | May 31, 2023 | August 31, 2022 |
|--|-----------------|--------------------|
| ASSETS | | |
| Current | | |
| Cash | \$ 579 | \$ 2,999 |
| Sales tax recoverable | 2,631 | 3,395 |
| | \$ 3,210 | \$ 6,394 |
| LIABILITIES | | |
| Current | | |
| Amounts payable and accrued liabilities | \$ 407,528 | \$ 351,648 |
| Due to related parties (Note 5) | 85,515 | 61,890 |
| | 493,043 | 413,538 |
| SHAREHOLDERS' EQUITY (DEFICIENCY) | | |
| Share capital (Note 4) | 56,862,888 | 56,862,888 |
| Equity reserve | 13,543,304 | 13,543,304 |
| Deficit | (70,896,025) | (70,813,336) |
| | (489,833) | (407,144) |
| | \$ 3,210 | \$ 6,394 |

Nature of operations and going concern (Note 1)
Subsequent events (Notes 1,8)

Approved on behalf of the Board of Directors:

/s/ Davis Kelly

Director

/s/ Bernadette D'Silva

Director

See accompanying notes to these financial statements

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.)
Condensed Interim Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management

Presented in Canadian Dollars

| | Three months ended | | Nine months ended | |
|---|--------------------|--------------------|--------------------|---------------------|
| | May 31, 2023 | May 31, 2022 | May 31, 2023 | May 31, 2022 |
| Expenses | | | | |
| Accounting and audit (Note 5) | \$ 7,500 | \$ 7,500 | \$ 24,900 | \$ 24,100 |
| Consulting | 15,000 | 15,000 | 45,000 | 45,000 |
| Legal | 4,785 | 10,585 | 6,359 | 22,051 |
| Office and administration | 110 | 183 | 375 | 365 |
| Transfer agent and filing fees | 1,108 | 1,851 | 6,055 | 68,254 |
| Loss and comprehensive loss | \$ (28,503) | \$ (35,119) | \$ (82,689) | \$ (159,770) |
| Basic and diluted loss per share | \$ (0.46) | \$ (0.57) | \$ (1.34) | \$ (2.58) |
| Weighted average number of common shares outstanding | 61,932 | 61,932 | 61,932 | 61,932 |

See accompanying notes to these financial statements

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.)
Condensed Interim Statements of Changes in Shareholders' Equity (Deficiency)
Unaudited – Prepared by Management

Presented in Canadian Dollars

| | Shares Issued | Amount | Equity Reserve | Deficit | Total Shareholders' Equity (Deficiency) |
|-----------------------------------|---------------|---------------|----------------|-----------------|---|
| Balance, August 31, 2021 | 61,932 | \$ 56,862,888 | \$ 13,543,304 | \$ (70,623,318) | \$ (217,126) |
| Loss and comprehensive loss | - | - | - | (159,770) | (159,770) |
| Balance as at May 31, 2022 | 61,932 | \$ 56,862,888 | \$ 13,543,304 | \$ (70,783,088) | \$ (376,896) |
| Balance, August 31, 2022 | 61,932 | \$ 56,862,888 | \$ 13,543,304 | \$ (70,813,336) | \$ (407,144) |
| Loss and comprehensive loss | - | - | - | (82,689) | (82,689) |
| Balance as at May 31, 2023 | 61,932 | \$ 56,862,888 | \$ 13,543,304 | \$ (70,896,025) | \$ (489,833) |

See accompanying notes to these financial statements

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.)**Condensed Interim Statements of Cash Flows****Unaudited – Prepared by Management***Presented in Canadian Dollars*

| | Nine months ended | |
|--|-------------------|-----------------|
| | May 31, 2023 | May 31, 2022 |
| Cash provided by (used in) | | |
| Operating activities | | |
| Loss and comprehensive loss | \$ (82,689) | \$ (159,770) |
| Changes in non-cash working capital items: | | |
| Sales tax recoverable | 764 | 183 |
| Amounts payable and accrued liabilities | 55,880 | 211,277 |
| Due to related parties | 23,625 | (48,390) |
| | <u>(2,420)</u> | <u>3,300</u> |
| Change in cash | (2,420) | 3,300 |
| Cash (bank indebtedness), beginning | 2,999 | (215) |
| Cash, ending | <u>\$ 579</u> | <u>\$ 3,085</u> |

There were no supplemental disclosures with respect to cash flows for the periods ended May 31, 2023 and 2022.

See accompanying notes to these financial statements

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.)

Notes to the Condensed Interim Financial Statements

Unaudited – Prepared by Management

Presented in Canadian Dollars

1. Nature of Operations and Going Concern

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.) (the “Company”) is a resource company which was listed on the TSX Venture Exchange (“TSX-V”) under the symbol “ROK”. The Company’s head office is located at Suite 3123 – 595 Burrard Street, Vancouver, British Columbia, V7X 1J1.

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 months ended November 30, 2021, were filed by the Company effective January 10, 2022 and January 25, 2022.

On June 21, 2023, the Company changed its name to Mabel Ventures Inc. and implemented a share consolidation of the issued and outstanding common shares of the Company on the basis of one (1) post-consolidation common share for every two thousand (2,000) pre-consolidation common shares of the Company (the “Consolidation”). The financial statements reflect the Consolidation retroactively.

As a result of the Consolidation, the 123,864,898 common shares issued and outstanding prior to the Consolidation were reduced to approximately 61,932 common shares.

The 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 nine months ended May 31, 2023, the Company reported a loss of \$82,689 and an accumulated deficit of \$70,896,025 at that date. The Company had a working capital deficiency of \$489,833 at May 31, 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.

The 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.

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.)

Notes to the Condensed Interim Financial Statements

Unaudited – Prepared by Management

Presented in Canadian Dollars

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

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

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

The financial statements are presented in Canadian Dollars, which is also the Company's functional currency, unless otherwise indicated.

The Board of Directors approved the financial statements on July 27, 2023.

The preparation of the financial statements in conformity with International Financial Reporting Standards (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 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 the financial statements are the same as those applied by the Company for the year ended August 31, 2022.

Mabel Ventures Inc. (formerly Aardvark Ventures Inc.)

Notes to the Condensed Interim Financial Statements

Unaudited – Prepared by Management

Presented in Canadian Dollars

4. Share Capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value (Note 8(a)).

There were no share issuances during the nine months ended May 31, 2023, and the year ended August 31, 2022.

No stock options or warrants were outstanding as at or during the nine months ended May 31, 2023, and the year ended August 31, 2022.

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 nine months ended May 31, 2023, the Company incurred \$22,500 in accounting fees (2022 - \$22,500) to an accounting firm of which a former director of the Company is a partner. As at May 31, 2023, there was \$63,000 (August 31, 2022 - \$39,375) due to this firm. This amount is non-interest bearing with no stated terms of repayment.

As at May 31, 2023, there was \$22,515 (August 31, 2022 - \$22,515) due to a partner, who is a former 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.

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6. Financial Instruments and Risk Management (continued)

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.

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 periods presented.

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8. Subsequent Events

- a) On June 6, 2023, the Company entered into a property option agreement with Goldseek Resources Inc., whereby the Company was granted the option to acquire a 51% interest in the Bonanza Gold Property (the “Property”) located in Northwestern Quebec.

Pursuant to the terms of the agreement:

- The Company will acquire a 25% interest in the Property by incurring expenditures of \$100,000 and issuing 500,000 common shares of the Company on or before December 31, 2023; and
 - The Company will acquire a further 26% interest in the Property, by incurring expenditures of \$150,000 on or before December 31, 2024.
- b) On June 21, 2023, the Company changed its name to Mabel Ventures Inc. and implemented the Consolidation. As a result of the Consolidation, the 123,864,898 common shares issued and outstanding prior to the Consolidation were reduced to approximately 61,932 common shares.
- c) On July 14, 2023, the Company reconstituted its Board of Directors. The reconstitution of the Board of Directors and management of the Company follows the successful completion of the amalgamation of 1355638 B.C. Ltd., a privately-held company, with 1359787 B.C. Ltd., a wholly-owned subsidiary of the Company (the “Amalgamation”). Following completion of the Amalgamation, the combined entity has become a wholly-owned subsidiary of the Company under the name Mabel Holdings Inc. and holds the assets previously held by 1355638 B.C. Ltd. which consist of cash from financing activities. As consideration for the Amalgamation, the Company issued 29,450,100 common shares to the former shareholders of 1355638 B.C. Ltd for proceeds of \$589,000.
- d) On July 17, 2023, the Company granted 2,050,000 stock options to certain directors, officers and consultants of the Company. The options are exercisable at \$0.05, vest immediately, and expire on July 17, 2033.
- e) On July 18, 2023, the Company completed a non-brokered private placement and issued 12,500,000 common shares on a “flow-through” basis at a price of \$0.02 per flow-through share for gross proceeds of \$250,000.