VETA RESOURCES INC.

Unaudited Interim Financial Statements

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

(Expressed in Canadian Dollars)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying unaudited interim financial statements of Veta Resources Inc., are the responsibility of the management and Board of Directors of the Company.

The unaudited interim financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the interim financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited interim financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Carly Burk"
Carly Burk
CEO

"Arvin Ramos"
Arvin Ramos
CFO

NOTICE TO READER

The accompanying unaudited interim financial statements of the Company have been prepared by and are the responsibility of management. The unaudited interim statements for the three and six months ended June 30, 2023 and 2022 have not been reviewed by the Company's auditors.

Veta Resources Inc.

Unaudited Interim Statements of Financial Position

(Expressed in Canadian Dollars)

		June 30, 2023		December 31, 2022
Assets				
Current Assets				
Cash and cash equivalents *(Note 5)*	**$**	**41,816**	$	44,326
Receivables *(Note 6)*		**2,138**		848
Total assets	**$**	**43,954**	$	45,174
Liabilities				
Current Liabilities				
Trade and other payables *(Notes 7 and 8)*	**$**	**453,750**	$	378,000
Total liabilities		**453,750**		378,000
Shareholders' deficiency				
Share capital *(Note 9)*		**1,715,342**		1,715,342
Reserve for warrants *(Note 10)*		**900,000**		900,000
Reserve for share-based payments *(Note 12)*		**1,418,407**		1,418,407
Accumulated deficit		**(4,443,545)**		(4,366,575)
Total shareholders' deficiency		**(409,796)**		(332,826)
Total liabilities and shareholders' deficiency	**$**	**43,954**	$	45,174

Nature of Operations (Note 1)

Approved on behalf of the Board of Directors on July 31, 2023

"Chris Irwin" (signed)
Director

"Albert Contardi" (signed)
Director

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

Veta Resources Inc.
Unaudited Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Three months ended June 30, 2023	Three months ended June 30, 2022	**Six months ended June 30, 2023**	Six months ended June 30, 2022
Expenses				
Management and consulting fees *(Note 7)*	**$ 30,000**	$ 30,000	**$ 60,000**	$ 60,000
Office and general	**-**	112	**-**	221
Professional fees *(Note 7)*	**8,127**	4,184	**11,127**	29,669
Shareholder information and regulatory costs	**4,563**	8,706	**5,843**	18,678
Foreign exchange loss (gain)	**-**	(6)	**-**	(6)
Total loss and comprehensive loss	**$ (42,690)**	$ (42,996)	**$ (76,970)**	$ (108,562)
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)	**$ (0.00)**	$ (0.00)
Weighted average number of shares outstanding:				
Basic and diluted (000's)	**22,591**	22,591	**22,591**	22,591

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

Veta Resources Inc.

Unaudited Interim Statements of Changes in Equity (Deficiency)

(Expressed in Canadian Dollars)

	Number of common shares		Share capital		Warrants reserve		Share-based payment reserve		Accumulated Deficit		Total
Balance at December 31, 2021	22,590,750	$	1,715,342	$	900,000	$	1,418,407	$	(4,160,601)	$	(126,852)
Plan of arrangement distribution (Note 9)	-		-		-		-		6,536		6,536
Net loss for the period	-		-		-		-		(108,562)		(108,562)
Balance at June 30, 2022	**22,590,750**	**$**	**1,715,342**	**$**	**900,000**	**$**	**1,418,407**	**$**	**(4,262,627)**	**$**	**(228,878)**
Plan of arrangement distribution (Note 9)	-		-		-		-		20,060		20,060
Net loss for the period									(124,008)		(124,008)
Balance at December 31, 2022	**22,590,750**	**$**	**1,715,342**	**$**	**900,000**	**$**	**1,418,407**	**$**	**(4,366,575)**	**$**	**(332,826)**
Net loss for the period									(76,970)		(76,970)
Balance at June 30, 2023	**22,590,750**	**$**	**1,715,342**	**$**	**900,000**	**$**	**1,418,407**	**$**	**(4,443,545)**	**$**	**(409,796)**

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

Veta Resources Inc.

Unaudited Interim Statements of Cash Flows

(Expressed in Canadian Dollars)

Six months ended June 30,		**2023**		2022
Operating activities				
Net loss for the period	**$**	**(76,970)**	$	(108,562)
Net change in non-cash working capital:				
Receivables		**(1,290)**		(34,400)
Trade and other payables		**75,750**		88,245
Cash flows used in operating activities		**(2,510)**		(54,717)
Net change in cash and cash equivalents		**(2,510)**		(54,717)
Cash and cash equivalents, beginning of period		**44,326**		69,794
Cash and cash equivalents, end of period	**$**	**41,816**	$	15,077

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Veta Resources Inc. ("Veta", or "the Company"), was incorporated on August 18, 2006 under the Canada Business Corporations Act. Its principal business activity is mineral exploration and evaluation. The Company's head office is located at 217 Queen Street West, Suite 401 Toronto, Ontario M5V 0R2.

During the month of October 2021, the Company incorporated eight (8) wholly-owned subsidiaries, namely 1329291 B.C. Ltd. ("291 BC"), 1329293 B.C. Ltd. ("293 BC"), 1329295 B.C. Ltd. ("295 BC"), 1329300 B.C. Ltd. ("300 BC"), 1329306 B.C. Ltd. ("306 BC"), 1329307 B.C. Ltd. ("307 BC"), 1329308 B.C. Ltd. ("308 BC") and 1329310 B.C. Ltd. ("310 BC").

On February 18, 2022, the Company completed its plan of arrangement involving distribution of common shares of each of 291 BC, 293 BC, 295 BC, 300 BC, 306 BC, 307 BC, 308 BC and 310 BC to current shareholders of the Company on the basis of:

(i) 22,950,750 291 BC common shares;
(ii) 22,950,750 293 BC common shares;
(iii) 22,950,750 295 BC common shares;
(iv) 22,950,750 300 BC common shares
(v) 22,950,750 306 BC common shares;
(vi) 22,950,750 307 BC common shares;
(vii) 22,950,750 308 BC common shares; and
(viii) 22,950,750 310 BC common shares,

per outstanding common share of the Company.

The Company is at an early stage of development and, as is common with many exploration companies, it relies on financings to fund its exploration and acquisition activities. The Company had a deficiency of current assets over current liabilities of $409,796 at June 30, 2023; had not yet achieved profitable operations; had accumulated losses of $4,443,545 at June 30, 2023; and expects to incur further losses in the development of its business. Veta does not have adequate cash resources to fund its operations over the next twelve months and will require additional financing in order to conduct its planned activities, meet its ongoing levels of corporate overhead and discharge its liabilities as they come due. There can be no certainty as to the ability of the Company to raise sufficient additional financing in order to continue to operate, and accordingly, there is a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

These unaudited interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These unaudited interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34 'Interim Financial Reporting' ("IAS 34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These unaudited interim financial statements were authorized by the Board of Directors of the Company on July 31, 2023.

2. BASIS OF PREPARATION (continued)

2.2 Basis of presentation

These unaudited interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's December 31, 2022 annual financial statements.

2.3 Use of management estimates, judgments and measurement uncertainty

The preparation of these unaudited interim 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.

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 and Veta Chile to be the US dollar.

2.4 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.

3. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- To ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- To maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and the industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to be equity, comprising share capital, reserve accounts, and accumulated deficit which at June 30, 2023 totaled $(409,796) (December 31, 2022 - $(332,826)).

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's capital management objectives, policies and processes have remained unchanged during the six months ended June 30, 2023. The Company is not subject to any capital requirements.

4. FINANCIAL INSTRUMENTS

Fair value hierarchy and fair value

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

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

Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);

Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data.

As at June 30, 2023 and 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 June 30, 2023 and 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.

4. 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 and cash equivalents** – Cash and cash equivalents are held with a major Canadian (chartered bank) and in trust with the lawyer. The risk of loss is minimal.

b. **Receivables** – The Company is not exposed to significant credit risk from its receivables.

The Company's maximum exposure to credit risk as at June 30, 2023 and December 31, 2022 is the carrying value of cash and cash equivalents and receivables.

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 June 30, 2023, the Company had a working capital deficiency of $409,796 (December 31, 2022 – $332,826). Working capital deficiency as at June 30, 2023 consisted of: cash of $41,816 (December 31, 2022 - $44,326), receivables of $2,138 (December 31, 2022 - $848), and trade and other payables of $453,750 (December 31, 2022 - $378,000). The Company had not yet achieved profitable operations, has accumulated losses of $4,443,545 (December 31, 2022 – $4,366,575) 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's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars and US dollars. Management believes that foreign currency risk derived from currency conversions is negligible and therefore does not hedge its foreign exchange risk.

5. CASH AND CASH EQUIVALENTS

The cash and cash equivalents balance at June 30, 2023, consists of $41,816 on deposit in trust with Company lawyer (December 31, 2022 - $44,326). As at June 30, 2023 and December 31, 2022, the Company has no cash equivalents.

(Expressed in Canadian dollars)

6. RECEIVABLES

	As at,			
		June 30, 2023		December 31, 2022
Taxes recoverable (i)	**$**	**2,138**	$	848
Total Receivables	**$**	**2,138**	$	848

(i) The taxes recoverable amount as at June 30, 2023 was not past due.

At June 30, 2023, the Company anticipates full recovery of these amounts and therefore no impairment has been recorded against these receivables. The Company holds no collateral for any receivable amounts outstanding as at June 30, 2023.

7. RELATED PARTY DISCLOSURES AND KEY MANAGEMENT COMPENSATION

Key management includes the Company's directors, officers and any employees with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly. Compensation awarded to key management includes the following:

		June 30, 2023		June 30, 2022
Employee benefits and consulting fees	**$**	**60,000**	$	60,000
Total compensation to key management	**$**	**60,000**	$	60,000

At June 30, 2023, included in trade and other payables is $245,000 (December 31, 2022 - $185,000) due to these key management personnel.

During the six months ended June 30, 2023 the Company incurred $2,627 (2022 - $15,850) in legal fees with a law firm where a director is a partner. As at June 30, 2023, included in accounts payable and accrued liabilities of $60,508 is due to this law firm (December 31, 2022 - $57,540).

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Trade and other payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration activities and amounts payable for operating and financing activities.

The following is an aged analysis of the trade and other payables:

	As at,			
		June 30, 2023		December 31, 2022
Accounts payable	**$**	**108,956**	$	89,206
Accrued liabilities		**344,794**		288,794
Total Accounts Payable and Accrued Liabilities	**$**	**453,750**	$	378,000

(Expressed in Canadian dollars)

9. 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
Balance at June 30, 2023 and December 31, 2022	**22,590,750**	**1,715,342**

10. RESERVE FOR WARRANTS

The following table reflects the continuity of warrants for the nine month period ended June 30, 2023 and year ended December 31, 2021:

	Number of Warrants	**Amount**
Balance – June 30, 2023 and December 31, 2022	**98,057**	$ 900,000

Warrants to purchase common shares carry exercise prices and terms to maturity at June 30, 2023 as follows:

Exercise price $	**Number of outstanding warrants**	**Expiry Date**
28.0	85,215	3 years post liquidity event***
20.0*	8,562	3 years post liquidity event***
28.0**	4,280	3 years post liquidity event***
Total	98,057	

* These are broker warrants which are issuable for one common share and ½ purchase share warrant
** To be issued upon exercise of broker warrants
*** Exercisable for three years from the date the shares are listed on a recognized Canadian stock exchange.

11. SHARE BASED PAYMENTS

Share based payments
The Company has an incentive stock option plan ("the Plan") whereby the Company can grant to directors, officers, employees and consultants options to purchase shares of the Company. The Plan provides for the issuance of stock options to acquire up to 10% of the Company's issued and outstanding capital. The Plan is a rolling plan as the number of shares reserved for issuance pursuant to the grant of stock options will increase as the Company's issued and outstanding capital stock increases.

The Plan provides that it is solely within the discretion of the Board to determine who will receive stock options and in what amounts. In no case, calculated at the time of grant, shall the Plan result in:

- The aggregate number of options granted in a 12-month period to any one individual exceeding 5% of the outstanding shares of the Company;
- The maximum number of options which may be reserved for issuance to insiders of the Company shall not exceed 10% of the outstanding shares of the Company;
- The maximum number of options which may be issued to any insider of the Company, together with any previously established or proposed share based payment arrangements, within a 12-month period shall not exceed 5% of the outstanding shares of the Company.

(Expressed in Canadian dollars)

11. SHARE BASED PAYMENTS (continued)

- The maximum number of options, which may be issued to insiders of the Company, together with any previously established or proposed share based payment arrangements within a 12-month period shall not exceed 10% of the outstanding shares of the Company.

As at June 30, 2023, the Company had 2,104,075 (December 31, 2022 – 2,104,075) options remaining for issuance under the plan.

Summary of stock option activity is as follows:

	Number of stock options (outstanding and exercisable)	Weighted average exercise price
Balance - June 30, 2023 and December 31, 2022	**155,000**	**$ 1.50**

The weighted average remaining contractual life for outstanding options is as follows:

Price	**Expiry date**	**Number of Options (outstanding and exercisable)**	**Weighted Average Remaining Life (years)**	**Weighted Average Exercise Price**
$1.50	October 11, 2023	155,000	0.28	$ 1.50

12. RESERVE FOR SHARE BASED PAYMENTS

A summary of the changes in the Company's reserve for share based payments for the six months ended June 30, 2023 and year ended December 31, 2022 is set out below:

	June 30, 2023	December 31, 2022
	Amount ($)	Amount ($)
Balance at beginning of period/year	**1,418,407**	1,418,407
Share based payments	**-**	-
Balance at the end of period/year	**1,418,407**	1,418,407