

WARABA GOLD LIMITED
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited – Prepared by Management)
Six Months Ended January 31, 2023 and 2022
(Expressed in Canadian Dollars)

These unaudited condensed consolidated interim financial statements of Waraba Gold Limited for the six months ended January 31, 2023, have been prepared by management and approved by the Board of Directors. These unaudited condensed consolidated interim financial statements have not been reviewed by the Company's external auditors.

Waraba Gold LimitedCondensed Consolidated Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

	Note	As at January 31, 2023	As at July 31, 2022
ASSETS			
Current assets			
Cash		\$ 78,582	\$ 648,459
Receivables		20,673	24,425
Prepaid		14,830	7,911
Total current assets		114,085	680,795
Non-current assets			
Property and equipment (net)	3	702,024	215,385
Total non-current assets		\$ 702,024	\$ 215,385
TOTAL ASSETS		\$ 816,109	\$ 896,180
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	4	204,805	488,428
Loans payable	5	-	177,138
TOTAL LIABILITIES		\$ 204,805	\$ 665,566
SHAREHOLDERS' EQUITY			
Share capital	6	17,948,671	17,760,548
Deficit		(17,010,335)	(17,117,715)
TOTAL SHAREHOLDERS' EQUITY		\$ 938,336	\$ 642,833
Non-controlling interest	9	(327,032)	(412,219)
TOTAL EQUITY		\$ 611,304	\$ 230,614
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 816,109	\$ 896,180

Nature and continuance of operations (Note 1)

Approved by the Board of Directors and authorized for issue on March 28, 2023:

“Carl Esprey”
Carl Esprey, Director

“Chris O’Connor”
Chris O’Connor, Director

See accompanying notes to the condensed consolidated interim financial statements.

Waraba Gold Limited

Condensed Consolidated Interim Statements of Profit (Loss) and Comprehensive Profit (Loss) (Unaudited - Expressed in Canadian Dollars)

		Three months ended January 31,		Six months ended January 31,	
	Note	2023	2022	2023	2022
Expenses					
Depreciation	3	\$ 25,799	\$ 3,531	\$ 43,635	\$ 8,412
Exploration expense	8	(377,385)	347,241	(275,014)	1,187,309
Investor relations		48,141	48,398	82,781	84,885
Office and general		11,454	19,693	21,415	53,263
Professional fees		115,572	102,771	225,525	235,604
Project generation		5,157	46,889	5,157	82,561
Regulatory fees		3,000	5,547	6,000	15,140
Transfer agent		-	300	719	1,650
Profit (Loss) before other items		\$ 168,262	\$ (574,370)	\$ (110,218)	\$ (1,669,094)
Other items					
Foreign exchange		220,012	(83,166)	313,771	(29,856)
Change in fair value of loan		-	-	(10,986)	-
Profit (Loss) and comprehensive profit (loss) for the period		\$ 388,274	\$ (657,536)	\$ 192,567	\$ (1,698,950)
Profit (Loss) attributable to:					
Shareholders of the Company		286,301	(612,690)	107,380	(1,515,547)
Non-controlling interest	9	101,973	(44,846)	85,117	(183,403)
		\$ 388,274	\$ (657,536)	\$ 192,567	\$ (1,698,950)
Gain (Loss) per share - basic and diluted		\$ 0.00	\$ (0.01)	\$ 0.00	\$ (0.02)
Weighted average number of outstanding shares - basic and diluted		111,954,454	110,788,911	111,954,454	110,788,911

See accompanying notes to the condensed consolidated interim financial statements.

Waraba Gold LimitedCondensed Consolidated Interim Statement of Changes in Shareholder's Equity
(Unaudited - Expressed in Canadian Dollars)

	Note	Number of shares	Amount	Non-controlling Interest	Deficit	Total shareholders' equity
Balance at July 31, 2021		110,788,911	\$ 17,760,548	\$ (178,649)	\$ (14,816,812)	\$ 2,765,087
Loss for the period		-	-	(183,403)	(1,515,547)	(1,698,950)
Balance at January 31, 2022		110,788,911	\$ 17,760,548	\$ (362,052)	\$ (16,332,359)	\$ 1,066,137
Balance As at July 31, 2022		110,788,911	\$ 17,760,548	\$ (412,219)	\$ (17,117,715)	\$ 230,614
Shares issued for settlement of loan		1,881,228	188,123	-	-	188,123
Loss for the period		-	-	85,187	107,380	192,567
Balance at January 31, 2023		112,670,139	\$ 17,948,671	\$ (327,032)	\$ (17,010,335)	\$ 611,304

See accompanying notes to the condensed consolidated interim financial statements.

Waraba Gold LimitedCondensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Note	Six months ended January 31, 2023	Six months ended January 31, 2022
Operating activities			
Net profit (loss) for the period	\$	192,567	\$ (1,698,950)
Item not involving cash:			
Depreciation		43,635	43,498
Unrealized foreign exchange		-	8,340
Change in fair value of loan		10,985	-
Changes in non-cash working capital:			
Receivables		3,752	(1,527)
Prepaid		(6,919)	(9,481)
Accounts payable and accrued liabilities		(283,623)	206,968
Cash used in operating activities		(39,603)	(1,451,152)
Investing activities			
Exploration and evaluation assets		(530,274)	21,774
Cash provided (used) in investing activities		(530,274)	21,774
Foreign exchange effect on cash			(1,188)
Change in cash		(569,877)	(1,429,378)
Cash and cash equivalents, beginning of period		648,459	3,036,213
Cash and cash equivalents, end of period	\$	78,582	\$ 1,605,647

See accompanying notes to the condensed consolidated interim financial statements.

Waraba Gold Limited

Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended January 31, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

1. Nature and continuance of operations

Waraba Gold Limited (formerly Zenith Exploration Inc.) (the "Company") was incorporated on June 19, 2015, under the laws of the Province of British Columbia, Canada. On October 23, 2020, the Company changed its name to Waraba Gold Limited. The Company is a resource exploration company that is acquiring and exploring mineral properties.

The head office, principal address, records office and registered address of the Company are located at 1080 - 789 West Pender Street, Vancouver BC. The Company trades on the Canadian Securities Exchange (the "Exchange") under the trading symbol "WBGD". On March 12, 2021, the Company was listed on the Frankfurt Stock Exchange (also known as Deutsche Boerse AG) under the symbol "ZEO".

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements, social licensing requirements and non-compliance with regulatory requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. At January 31, 2023, the Company had not yet achieved profitable operations, had accumulated losses of \$17,010,335 (July 31, 2022 - \$17,117,715) since its inception and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. The Company's continuation as a going concern is dependent upon its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors. However, there is no guarantee that such financing will be available to the Company on acceptable terms or at all.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus (COVID-19). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in future periods.

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Notes to the Condensed Consolidated Interim Financial Statements
For the Six Months Ended January 31, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

2. Significant accounting policies and basis of preparation

These condensed consolidated interim financial statements were approved and authorized for issue on March 28, 2023 by the directors of the Company.

Statement of compliance with International Financial Reporting Standards

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Certain information and note disclosures normally included in the audited annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed. As a result, these condensed consolidated interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended July 31, 2022.

Basis of preparation

The condensed consolidated interim financial statements of the Company have been prepared on a historical cost basis except for certain financial assets measured at fair value.

Consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its controlled subsidiaries. Details of the controlled subsidiaries are as follows:

	Country of incorporation	Percentage owned*	
		January 31, 2023	July 31, 2022
1285074 B.C. Ltd. ("074 B.C.")	Canada	100%	100%
La Societe Gonka Gold Mali SARL ("Gonka")	Mali	75%	75%

*Percentage of voting power is in proportion to ownership.

Functional currency

The condensed consolidated interim financial statements of the Company are presented in Canadian dollars, which is the functional currency of Waraba Gold Limited.

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Notes to the Condensed Consolidated Interim Financial Statements

For the Six Months Ended January 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars)

3. Property and equipment

	Software & Hardware	Vehicle	Furniture, Fittings, Camp Equipment & Exploration asset	Total
Cost				
Balance July 31, 2022	\$ 52,764	\$ 126,120	\$ 131,117	\$ 310,001
Additions - Gonka	-	-	530,274	530,274
Balance January 31, 2023	\$ 52,764	\$ 126,120	\$ 661,391	\$ 840,275
Amortization				
Balance July 31, 2022	\$ 11,999	\$ 52,177	\$ 30,440	\$ 94,616
Additions - Waraba	2,521	-	-	2,521
Additions - Gonka	3,060	22,649	15,405	41,114
Balance January 31, 2023	\$ 17,580	\$ 74,826	\$ 45,845	\$ 138,251
Net book value				
Balance July 31, 2022	40,765	73,943	100,677	215,385
Balance January 31, 2023	\$ 35,184	\$ 51,294	\$ 615,546	\$ 702,024

4. Accounts payable and accrued liabilities

	January 31, 2023	July 31, 2022
Accounts payable	\$ 182,305	\$ 387,591
Amounts due to related parties (Note 7)	-	15,177
Accrued liabilities	22,500	85,660
Balance, ending	\$ 204,805	\$ 488,428

5. Loans payable

On April 9, 2021, the Company entered into convertible loan agreements with two arm's length lenders to borrow an aggregate amount of \$1,260,360 (USD\$1,000,000), with the Company paying facility fees to the lenders for an aggregate amount of \$378,108 (USD\$300,000) capitalized into the loan. The loans are unsecured, non-interest bearing and due at the earlier of October 31, 2021, or at the date the Company completing an equity financing of \$2,000,000. The number of conversion shares is to be calculated at the prevailing exchange rate at the conversion date, divided by the lower of (i) \$0.20; and (ii) the price per share at which the equity financing is completed. As the conversion feature does not meet the definition of an equity instrument, the entire loan has been classified as a liability and is being recorded at FVTPL. During the year ended July 31, 2021, USD\$1,024,000 had been repaid (USD\$674,000 by issuing 4,095,000 shares and USD\$350,000 in cash).

On September 5th, 2022 the balance of loan was settled by issuance of 1,881,228 common shares of the entity to arm's length parties

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Notes to the Condensed Consolidated Interim Financial Statements
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(Unaudited - Expressed in Canadian Dollars)

5. Loans payable (cont'd)

The following summarizes the loans payable transactions during the period ended January 31, 2023:

	January 31, 2023	July 31, 2022
Balance, beginning	\$ 177,138	\$ 344,274
Repaid through issuance of Shares	(188,123)	-
Changes in fair value of loan	10,985	(167,136)
Balance, ending	\$ -	\$ 177,138

6. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At January 31, 2023, there were 112,670,139 (July 31, 2022 – 110,788,911) issued and fully paid common shares.

On September 5th, 2022, 1,881,228 common shares were issued in full settlement of loan payable balance

Stock options

At January 31, 2023, there were no stock options outstanding and exercisable (July 31, 2022 - Nil).

Warrants

As of January 31, 2023, 38,052,500 warrants were outstanding and exercisable (July 31, 2022 – 38,052,500).

	January 31, 2023		July 31, 2022	
	Warrants issued	Weighted average exercise price	Number of options	Weighted average exercise price
Warrants outstanding, beginning	38,052,500	\$ 0.23	46,552,500	\$ 0.37
Warrants expired	-	-	(8,500,000)	1.00
Warrants outstanding, ending	38,052,500	\$ 0.23	38,052,500	\$ 0.23
Warrants exercisable, ending	38,052,500	\$ 0.23	38,052,500	\$ 0.23

7. Related party transactions

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Notes to the Condensed Consolidated Interim Financial Statements

For the Six Months Ended January 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars)

Payments to key management and directors during the periods ended January 31, 2023 and 2022 were as follows:

	January 31, 2023	January 31, 2022
Consulting fees paid to directors	58,419	65,123
Professional fees paid to officers	37,355	71,056
Total compensation	\$ 95,774	\$ 136,179

As at January 31, 2023, \$Nil (January 31, 2022 - \$73,050), was due to officers of the Company. Amounts owing are unsecured, non-interest bearing and due on demand.

8. Exploration and evaluation properties

The following is a description of the Company's exploration and evaluation properties for the six months ended January 31, 2023 and 2022:

	Mali Gold Project	
	January 31, 2023	January 31, 2022
Exploration expenses		
Cost incurred during the period:		
Camp and operations	\$ (6,309)	\$ 128,236
Depreciation	-	35,086
Drilling	-	57,259
Equipment rental	-	34,242
Exploration & Evaluation expenses capitalized	(502,232)	-
Geophysical	27,144	350,185
Management fees	26,358	28,330
Permits & fees	-	126,586
Reporting	-	20,832
Royalties	-	17,736
Salaries & wages	104,623	116,446
Surveying & mapping	-	12,613
Travel	75,402	259,758
Total exploration expenses	\$ (275,014)	\$ 1,187,309

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Notes to the Condensed Consolidated Interim Financial Statements
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8. Exploration and evaluation properties (cont'd)

Mali Gold Project

On January 21, 2021, the Company completed the amalgamation of 1278820 B.C Ltd and 1273795 B.C. Ltd (creating 1285074 B.C. Ltd as a wholly owned subsidiary of the Company) by issuing 25,690,000 common shares of the Company with a fair value of \$7,578,550. The excess of the consideration paid over the fair value of the net assets was attributed to the exploration expenses. Pursuant to the amalgamation, the Company acquired a 75% interest in Gonka Gold Mali SARL ("Gonka") a company incorporated in the Republic of Mali.

Gonka has entered into an agreement with Fokolore Mining SARL (the "Purchase Agreement") to acquire the research permit to explore for gold in Mali, (the "Mining Permit"). The Mining Permit is was subject to a further renewal, which has been approved.

Under the terms of the Purchase Agreement, the parties were required to receive ministerial consent to the transfer of the Mining Permit to Gonka (such approval having been granted on 17 August 2021) and the Company was required to pay a total consideration of US\$2,500,000 as follows:

- Payment of US\$250,000 – paid on January 19, 2021.
- Additional US\$1,000,000 – paid on April 9, 2021.
- Remaining US\$1,250,000 – 7,750,000 shares were issued on May 7, 2021.

In addition, Gonka will be required to pay an additional US\$1,000,000 upon proof, to an internationally recognized standard, that the area covered by the Mining Permit holds at least 1,000,000 ounces of gold; and an additional US\$1,000,000 upon proof, to an internationally recognized standard, that the area covered by the Mining Permit holds at least 1,500,000 ounces of gold.

The Company will be expected to fund 75% of all future exploration in relation to the Mining Permit. The remaining 25% of future exploration expense will be funded by the non-controlling shareholder in Gonka.

Subsequent to the quarter end, on November 30, 2022, the Company filed a technical report entitled "Maligogna East Gold Project, Kéniéba, Mali West, West Africa" dated November 18, 2022 for it's Maligogna East Gold Project (the "Technical Report"). The Technical Report was prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101") and authored by Olufemi Ajayi (MAIG), consulting geologist for Birima Gold Resources Consulting, a qualified person as defined in NI 43-101.

The Technical Report is available under the Company's profile on SEDAR (www.sedar.com). A copy of the Technical Report is also located on the Company's website.

Scotch Creek Property

On November 14, 2017, the Company entered into a definitive agreement to purchase certain mineral claims comprising the Scotch Creek Property in the Kamloops Mining Division of British Columbia. In connection with the Scotch Creek Property agreement, the Company and vendors have also executed a royalty deed agreement pursuant to the terms and consideration of which the vendors shall receive a net smelter return royalty of 2% from the Company. Two former directors of the Company are vendors of the property.

Waraba Gold Limited

Notes to the Condensed Consolidated Interim Financial Statements

For the Six Months Ended January 31, 2023 and 2022

(Unaudited - Expressed in Canadian Dollars)

In consideration for a 100% undivided interest in the property, the Company issued 15,000,000 common shares for total consideration of \$300,000.

No exploration expenses were recorded for Scotch Creek property during the six months ended January 31, 2023 and 2022.

Waraba Gold Limited

Notes to the Condensed Consolidated Interim Financial Statements

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(Unaudited - Expressed in Canadian Dollars)

9. Non-controlling Interest

On January 21, 2021, the company completed the amalgamation of 1278820 B.C Ltd and 1273795 B.C. Ltd (creating 1285074 B.C. Ltd as a wholly owned subsidiary of the Company). Pursuant to the amalgamation, the Company acquired 75% interest in Gonka.

As at January 31, 2023, the Company holds 75% (July 31, 2022 – 75%) interest in Gonka resulting in 25% ownership interest held by non-controlling shareholders.

Reconciliation of non-controlling interest as follows:

	January 31, 2023	July 31, 2022
Balance, beginning	\$ (412,219)	\$ (178,649)
Acquisition of subsidiary	-	-
Share in net profit (loss)	85,187	(233,570)
Balance, ending	\$ (327,032)	\$ (412,219)

10. Financial risk and capital management

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 documented investment policies, 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:

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 is not exposed to significant credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding.

Waraba Gold Limited

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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 not exposed to significant interest rate risk.

Currency risk

Currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to foreign currency exchange risk as some of its mining operations are transacted in currencies other than the functional currency of the Company.

Since the Company's reporting currency is Canadian dollars and the Company and its subsidiaries have significant operations in Mali and in parts of Europe, the Company is exposed to foreign currency fluctuations on its reported amounts of assets and liabilities. This risk is not considered significant as most financial assets and liabilities are maintained in Canadian Dollars.

Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash. There were no changes in the Company's approach to capital management during the period. The Company is not subject to any externally imposed capital requirements.

Fair value

The Company's financial instruments consist of cash, receivables, accounts payables and accrued liabilities, and loan payables. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments.

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.

As at January 31, 2023 and 2022, the Company's financial instruments that are measured at fair value, being the loans payable, are classified as level 2 in the fair value hierarchy.

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Notes to the Condensed Consolidated Interim Financial Statements
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11. Segmented information

The Company operates in a single reportable operating segment – exploration and evaluation business in two geographical areas, Canada, and Mali. During the period ended January 31, 2023 and year ended July 31, 2022, assets and liabilities by geography are presented below:

As at January 31, 2023:

	Canada		Mali		Total
Current Assets	\$	102,257	\$	11,828	\$ 114,085
Non-current Assets	\$	15,965	\$	686,059	\$ 702,024
Current liabilities	\$	(46,822)	\$	(157,983)	\$ (204,805)

As at July 31, 2022:

	Canada		Mali		Total
Current Assets	\$	585,915	\$	94,880	\$ 680,795
Non-current Assets	\$	18,486	\$	196,899	\$ 215,385
Current liabilities	\$	(442,188)	\$	(223,378)	\$ (665,566)

12. Commitment and Contingencies

Environmental Contingencies

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.