

CREST RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the condensed interim consolidated 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 consolidated financial statements have been prepared by and are the responsibility of management.

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

CREST RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited - expressed in Canadian dollars)

	Note	August 31, 2023 \$	May 31, 2023 \$
ASSETS			
CURRENT			
Cash		59,467	10,320
Restricted cash		5,063	5,063
Accounts receivable		31,428	12,582
Marketable securities	4	533,079	1,720,412
Investments	5	109,814	133,722
Prepaid expenses and advance		49,260	8,387
GST recoverable		122,260	112,270
Loans, notes receivable and deposits	6	547,710	541,092
		1,458,081	2,543,848
Equipment		19,391	22,192
Investment in associates	7	404,420	424,089
Exploration and evaluation assets	9	1,336,996	1,335,186
Long-term loan	8	2,500,000	2,500,000
TOTAL ASSETS		5,718,888	6,825,315
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	13	890,395	1,013,957
Loans payable	10	39,867	40,104
		930,262	1,054,061
CEBA loan	11	40,000	40,000
TOTAL LIABILITIES		970,262	1,094,061
SHAREHOLDERS' EQUITY			
Share capital	12	8,494,291	8,227,741
Reserves		1,159,240	1,096,510
Retained earnings (deficit)		(4,426,654)	(3,174,896)
Total equity attributable to the Company's shareholders		5,226,877	6,149,355
Non-controlling interests		(478,251)	(418,101)
TOTAL EQUITY		4,748,626	5,731,254
		5,718,888	6,825,315

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENTS (Note 16)

SUBSEQUENT EVENTS (Note 19)

Approved and authorized for issue on behalf of the Board on October 30, 2023

"Jason Cubitt" Director "Garry Stock" Director

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

CREST RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED AUGUST 31,
(Unaudited - expressed in Canadian dollars)

	Note	2023 \$	2022 \$
REVENUE			
Management fees		-	53,431
		-	53,431
EXPENSES			
Amortization		2,505	2,572
Consulting fees	13	87,000	307,363
Management and director fees	13	75,000	130,035
Marketing fees		2,941	13,571
Office and miscellaneous		25,634	79,086
Professional fees		28,763	95,334
Salaries		52,081	27,261
Share-based payments	12,13	18,305	158,038
Transfer agent and filing fees		3,393	6,579
Travel		52,422	9,288
		348,044	829,127
Loss before other items		(348,044)	(775,696)
OTHER ITEMS			
Interest income		5,224	12,447
Gain (loss) on foreign exchange		3,714	(106,991)
Realized and unrealized gain (loss) on disposals of marketable securities and investments	4,5	(953,133)	(1,138,620)
Gain on disposal of investment in associates	7	-	257,313
Share of loss from equity investments	7	(19,669)	(496,544)
Loss on disposition of subsidiary		-	(42,884)
Other income		-	30,000
		(963,864)	(1,485,279)
NET AND COMPREHENSIVE (LOSS) INCOME		(1,311,908)	(2,260,975)
NET AND COMPREHENSIVE (LOSS) INCOME ATTRIBUTED TO			
Shareholders of the Company		(1,287,874)	(2,078,510)
Non-controlling interest		(24,034)	(182,465)
		(1,311,908)	(2,260,975)
BASIC AND DILUTED (LOSS) EARNINGS PER SHARE		(0.09)	(0.19)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING		14,293,256	10,682,157

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

CREST RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	Common Shares			Retained earnings (Deficit)	Non-controlling Interests	Total Equity
	Number of Shares ¹	Amount	Reserves			
	#	\$	\$	\$	\$	\$
Balance, May 31, 2022	10,497,113	7,431,046	307,639	6,197,939	4,039,828	17,976,452
Shares issued for marketable securities	298,667	255,360	-	-	-	255,360
Share-based compensation	-	-	158,038	-	-	158,038
Disposal of subsidiary	-	-	-	-	38,200	38,200
Net and comprehensive loss for the period	-	-	-	(2,078,510)	(182,465)	(2,260,975)
Balance, August 31, 2022	10,795,780	7,686,406	465,677	4,119,429	3,895,563	16,167,075
Balance, May 31, 2023	13,971,335	8,227,741	1,096,510	(3,174,896)	(418,101)	5,731,254
Shares issued for cash	2,961,667	266,550	44,425	-	-	310,975
Share-based compensation	-	-	18,305	-	-	18,305
Change in non-controlling interest	-	-	-	36,116	(36,116)	-
Net and comprehensive loss for the period	-	-	-	(1,287,874)	(24,034)	(1,311,908)
Balance, August 31, 2023	16,933,002	8,494,291	1,159,240	(4,426,654)	(478,251)	4,748,626

¹On October 12, 2023, the Company completed a 3:1 share consolidation, all historical amounts have been adjusted to reflect the share consolidation.

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

CREST RESOURCES INC.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	2023 \$	2022 \$
OPERATING ACTIVITIES		
Net (loss) income for the period	(1,311,908)	(2,260,975)
Items not involving cash		
Accrued interest	(6,618)	(8,447)
Amortization	2,801	2,571
Share-based payments	18,305	158,038
Disposition of subsidiary	-	42,884
Gain on foreign exchange	(237)	-
Realized (gain) loss on marketable securities and investments	448,158	413,933
Unrealized (gain) loss on marketable securities and investments	504,974	695,402
Gain on disposition of investments in associates	-	(244,640)
Share of loss from equity-accounted investments	19,669	496,544
Changes in non-cash working capital balances:		
Accounts receivable	(18,846)	(67,934)
Prepaid expenses and advances	(40,873)	(2,580)
GST recoverable	(9,990)	123,089
Deferred revenue	-	-
Accounts payable and accrued liabilities	(78,562)	672,608
Cash used in operating activities	(473,127)	20,493
INVESTING ACTIVITIES		
Exploration and evaluation assets	(1,810)	(1,276,278)
Purchase of marketable securities	(15,471)	(120,669)
Proceeds from sales of marketable securities	228,580	1,905,101
Investment in associates	-	(844,404)
Proceeds from disposition of investment in associates	-	530,605
Cash provided by investing activities	211,299	194,355
FINANCING ACTIVITIES		
Proceeds from issuance of shares	310,975	
Loans payable	-	(20,000)
Cash provided by financing activities	310,975	(20,000)
CHANGE IN CASH	49,147	194,848
CASH (BANK INDEBTEDNESS), BEGINNING OF PERIOD	10,320	(21,082)
CASH, (BANK INDEBTNESS), END OF PERIOD	59,467	173,766

SUPPLEMENTAL CASH FLOW INFORMATION (Note 17)

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

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Crest Resources Inc. (the “Company”) was incorporated on November 23, 2017, under the laws of British Columbia. The address of the Company’s corporate records office is Suite 2501 – 550 Burrard Street, Vancouver, British Columbia, Canada.

The Company’s principal business activities include the acquisition and exploration of mineral property assets in Canada and Australia and the investment in mineral exploration and mining technology companies. As at August 31, 2023, the Company had not yet determined whether the Company’s mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

The Company has net loss of \$1,311,908 for the three months ended August 31, 2023, and, as of August 31, 2023, the Company had an accumulated deficit of \$4,426,654 (2023 – \$3,174,896). The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These factors indicate the existence of material uncertainty that casts significant doubt about the Company’s ability to continue as a going concern. If for any reason the Company is unable to continue as a going concern, it could impact the Company’s ability to realize assets at their recognized values and to meet its liabilities in the ordinary course of business at the amounts stated in the consolidated financial statements.

The Company’s business financial condition and results of operations may be further negatively affected by economic and other consequences from Russia’s military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

These condensed interim consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these consolidated financial statements.

2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended May 31, 2023.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year May 31, 2023.

The condensed interim consolidated financial statements of the Company have been prepared on an accrual basis and are based on historical costs, except for certain financial assets and liabilities that are measured at fair value. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

The condensed interim financial statements were approved by the board and authorized for issue on October 30, 2023

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries, which are controlled by the Company. Control is achieved when the parent company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has all of the following:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant inter-company transactions, balances, income and expenses are eliminated on consolidation. The following is a list of the Company's operating subsidiaries:

Name of Entity	Jurisdiction of incorporation	Ownership interest as at August 31, 2023	Ownership interest as at May 31, 2023
Crest GP Canada Inc.	British Columbia, Canada	100%	100%
Crest Project Development Corp.	British Columbia, Canada	100%	100%
Crest SPV Limited Partnership	British Columbia, Canada	100%	100%
1251797 B.C. Ltd	British Columbia, Canada	66.7%	66.7%
AusVan Battery Metals Pty Ltd	Australia	58%	58%
Auratus Resources Corp. (formerly known as 1255929 B.C. Ltd)	British Columbia, Canada	84%	63.3%

On August 31, 2023, the Company settled intercompany balances with Auratus Resources Corp. in exchange for shares in Auratus Resources Corp, resulting an increase in the Company's ownership to 84%. The Company re-allocated \$36,116 of NCI to Deficit to reflect the updated share ownership.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The Company uses the same critical accounting estimates and judgements as those that applied to the annual consolidated financial statements for the year ended May 31, 2023.

Accounting standards and amendments issued but not yet adopted

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after June 1, 2023, or later periods. The Company has not early adopted these new standards in preparing these consolidated financial statements. These new standards are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

4. MARKETABLE SECURITIES

The Company holds common shares in various public companies. The common shares are classified as FVTPL and are recorded at fair value using the quoted market price as at August 31, 2023 and are therefore classified as Level 1 within the fair value hierarchy.

Marketable securities for the periods ended August 31, 2023 and May 31, 2023 are as follows

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	FMV Balance, May 31, 2022	Transfer from (to) Investments	Additions	Disposals	Realized gain (loss) on disposals	Unrealized gain (loss) on changes in fair value	FMV Balance, May 31, 2023
	\$		\$	\$	\$	\$	\$
Common shares – Level 1							
Cleghorn Minerals Ltd.	330,990	-	-	(232,457)	(48,820)	(49,713)	-
Core Assets Corp	467,079	-	-	(310,510)	177,416	(327,207)	6,778
DevvStream Holdings	-	175,000	-	(146,232)	(28,768)	-	-
Forty Pillars Mining Corp	18,689	-	10,120	(14,694)	(57,665)	46,600	3,050
Fremont Gold Ltd	-	-	3,350	(3,230)	(120)	-	-
Golcap Resources Corp	-	194,900	-	(112,059)	(51,241)	(11,060)	20,540
Origen Resources Inc	-	1,546,020	-	-	-	-	1,546,020
Nevgold Corp	1,494,900	-	210,758	(1,593,141)	120,654	(233,171)	-
Newpath Resources Inc	-	-	44,299	(40,358)	(742)	(1,613)	1,586
Opawica Explorations Inc	584,958	-	-	(235,600)	(461,154)	111,796	-
Penbar Capital Ltd	600	-	-	(525)	-	(75)	-
Playground Ventures Inc ¹	29,384	-	222,626	(11,616)	(138,095)	9,014	111,313
Terra Balcanica Resources Corp	-	135,000	-	(89,085)	(60,915)	15,000	-
Rain City Resources Inc.	-	-	53,169	(17,500)	-	(4,544)	31,125
Ready Set Gold Corp	232,700	-	-	(38,175)	(251,108)	56,583	-
Total	3,159,300	2,050,920	544,322	(2,845,182)	(800,558)	(388,390)	1,720,412

¹ The Company received 7,420,850 common shares of Playground Ventures Inc. as part of a settlement of loans and amounts receivable (Note 6).

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	FMV Balance, May 31, 2023	Transfer from (to) Investments	Additions	Disposals	Realized gain (loss) on disposals	Unrealized gain (loss) on changes in fair value	FMV Balance, August 31, 2023
	\$		\$	\$	\$	\$	\$
Common shares – Level 1							
Core Assets Corp	6,778	-	-	(5,592)	(9,043)	7,857	-
Forty Pillars Mining Corp	3,050	-	-	(535)	(6,746)	8,169	3,938
Golcap Resources Corp	20,540	-	-	(1,015)	(1,985)	(6,815)	10,725
Origen Resources Inc	1,546,020	-	11,681	(251,631)	(441,733)	(512,337)	352,000
Newpath Resources Inc	1,586	-	3,790	(2,007)	(1,192)	823	3,000
Playground Ventures Inc ¹	111,313	-	-	-	-	37,103	148,416
Rain City Resources Inc.	31,125	-	-	(12,800)	12,541	(15,866)	15,000
Total	1,720,412	-	15,471	(273,580)	(448,158)	(481,066)	533,079

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

5. INVESTMENTS

At August 31, 2023, the Company had privately held investments and warrants of publicly traded companies with a total fair value of \$109,813 (May 31, 2023 - \$133,722). The common shares of private companies are classified as FVTPL and are recorded at fair value using unobservable inputs and are therefore classified as level 3 within the fair value hierarchy. The Company's privately held investments at August 31, 2023 and May 31, 2023 are as follows:

	August 31, 2023	May 31, 2023
	\$	\$
Core Asset Management Corp	40	40
	40	40

The Company also holds warrants in public companies which are classified as FVTPL and are recorded at fair value using a Black-Scholes option pricing model using observable inputs and are therefore classified as Level 2 within the fair value hierarchy. The following warrants were held at August 31, 2023 and May 31, 2023.

	August 31, 2023	May 31, 2023
	\$	\$
	\$	\$
Core Assets Corp (a)	1,360	21,857
Devvesg Streaming Finco Ltd (b)	37,479	44,568
Forty Pillar Mining Corp (c)	1,936	724
Golcap Resources Corp (d)	64,331	55,230
Volatus Capital Corp. (e)	4,668	11,303
	109,774	133,682

- a) On August 25, 2021, the Company entered into a share subscription agreement for 800,000 Core Assets Corp. ("Core Assets") shares at \$0.055. Each unit is comprised of one common share and one-half common share purchase warrant of Core Assets. Each full warrant will entitle the Company to purchase one additional common share at a price of \$0.25 for a period of 24 months from the date of the issue of the warrants. At initial recognition, the fair value of the warrants was evaluated at \$4,285 using the Black – Scholes option pricing model based on the following assumptions:

	Initial Measurement	August 31, 2023	May 31, 2023
Share price	\$0.06	\$0.22	\$0.25
Risk free interest rate	0.54%	5.10%	4.60%
Expected life	2.00 years	0.36 years	0.30 years
Expected volatility	117.45%	100%	100%
Expected dividend	Nil	Nil	Nil

As at August 31, 2023, the warrants were remeasured at a fair value of \$1,360 (2023 - \$21,857).

- b) On January 14, 2022, the Company entered into a private subscription agreement to acquire 218,750 special warrants of Devvesg Streaming Finco Ltd ("DevvESG") at \$0.80 for a cost of \$175,000. The special warrants will convert upon DevvESG's reverse-takeover IPO to a common share and one-half share-purchase warrant, each full warrant exercisable at \$1.50 for a period of 24 months from the date of the reverse-takeover IPO.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

On November 4, 2022, the special warrants of Devvesg Streaming Finco Ltd were converted accordingly to 218,750 common shares, fair valued at \$175,000 and 109,375 warrants. At initial recognition, the fair value of the warrants was evaluated at \$44,568 using the Black-Scholes option pricing model based on the following assumptions:

	Initial Measurement	August 31, 2023	May 31, 2023
Share price	\$1.08	\$1.05	\$1.08
Risk free interest rate	4.22%	4.68%	4.22%
Expected life	1.43 years	1.18 years	1.43 years
Expected volatility	120%	100%	120%
Expected dividend	Nil	Nil	Nil

As at August 31, 2023, the warrants were fair valued at \$37,479 (2023 - \$44,568).

- c) On October 8, 2021, the Company entered into a share subscription agreement for 450,000 Forty Pillars Mining Corp. ("Forty Pillars") shares at \$0.20. Each unit is comprised of one common share and one common share purchase warrant of Forty Pillars. Each full warrant will entitle the Company to purchase one additional common share at a price of \$0.12 for a period of 36 months from the date of the issue of the warrants. At initial recognition, the fair value of the warrants was evaluated at \$64,910 using the Black – Scholes option pricing model based on the following assumptions:

	Initial Measurement	August 31, 2023	May 31, 2023
Share price	\$0.10	\$0.04	\$0.02
Risk free interest rate	0.54%	4.68%	4.22%
Expected life	3 years	1.16 years	1.41 years
Expected volatility	108%	100%	100%
Expected dividend	Mo;	Nil	Nil

As at August 31, 2023, the warrants were remeasured at a fair value of \$1,936 (2023 - \$724).

- d) On July 28, 2021, the Company entered into a share subscription agreement for 2,100,000 Golcap Resources Corp. ("Golcap") shares at \$0.18. Each unit is comprised of one share and common share purchase warrant of Golcap. Each full warrant will entitle the Company to purchase one additional common share at a price of \$0.225 for a period of 60 months from the date of the issue of the warrants. At initial recognition, the fair value of the warrants was evaluated at \$290,660 using the Black – Scholes option pricing model based on the following assumptions:

	Initial Measurement	August 31, 2023	May 31, 2023
Share price	\$0.18	\$0.075	\$0.07
Risk free interest rate	0.54%	4.68%	3.84%
Expected life	5.00 years	2.91 years	3.16 years
Expected volatility	140.51%	100%	100%
Expected dividend	Nil	Nil	Nil

As at August 31, 2023, the warrants were remeasured at a fair value of \$64,331 (2023 - \$55,230).

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

- e) On September 6, 2022, the Company's ownership in Volatus decreased to below 50% resulting in the Company losing control and deconsolidating the result of Volatus. Upon loss of control the Company recognized the value of the 4,975,000 warrants held of Volatus. 125,000 warrants expired on February 2, 2023. At initial recognition, the fair value of the warrants was evaluated at \$64,010 using the Black – Scholes option pricing model based on the following assumptions:

	Initial Measurement	August 31, 2023	May 31, 2023
Share price	\$0.015	\$0.10	\$0.15
Risk free interest rate	1.27%	4.40%	3.84%
Expected life	3.62 years	3.36 years	3.62 years
Expected volatility	100%	100%	100%
Expected dividend	Nil	Nil	Nil

As at August 31, 2023, the warrants were remeasured at a fair value of \$4,668 (2023 - \$11,303).

6. LOANS, NOTES RECEIVABLE AND DEPOSITS

	Playground Ventures Inc \$	Volatus Capital Corp. \$	Orogenic Regional Exploration \$	Rain City Resources Ltd \$	Total \$
Balance, May 31, 2022	291,175	-	510,776	-	801,951
Addition	58,411	64,720	-	8,000	131,131
Accrued interest	10,589	1,273	26,316	-	38,178
Repayments	-	(65,993)	(4,000)	-	(69,993)
Settlement	(216,105)	-	-	-	(216,105)
Loss on settlement	(144,070)	-	-	-	(144,070)
Balance, May 31, 2023	-	-	533,092	8,000	541,092
Accrued interest	-	-	6,618	-	6,618
Balance, August 31, 2023	-	-	539,710	8,000	547,710

On September 1, 2020, the Company completed the sale of 1,000,000 common shares of Exploits Discovery Corp. ("Exploits") to Orogenic Regional Exploration ("Orogenic") for consideration of a promissory note of \$350,000 bearing an interest at a rate of 6% per annum, plus a 10% bonus shall be payable on demand. The shares are pledged as collateral for the promissory note. During the year ended May 31, 2022, \$164,500 was repaid. During the year ended May 31, 2023, \$4,000 was repaid and the Company accrued interest income of \$10,950 (2022 - \$18,837). As at August 31, 2023, the principal balance owing was \$181,500 (May 31, 2023 - \$181,500) and total interest income accrued was \$48,268 (2023 - \$45,523).

On September 7, 2021, the Company entered into an agreement to loan \$236,113 to Orogenic Regional Exploration Ltd on terms that the Loan plus accrued interest at 5.0% per annum plus a 10% bonus shall be payable on demand. During the year ended May 31, 2023, the Company accrued interest income of \$14,166 (2021 - \$32,248). As at August 31, 2023, the principal balance owing was \$236,113 (2023 - \$236,113) and total interest income accrued was \$49,985 (2023 - \$46,414).

On January 31, 2022, the Company entered into an agreement to loan \$20,000 to Orogenic Regional Exploration Ltd on terms that the Loan plus accrued interest at 5.0% per annum plus a 10% bonus shall be payable on demand. During the year ended May 31, 2023, the Company accrued interest income of \$1,200 (2022 - \$2,342). As at August 31, 2023, the principal balance owing was \$20,000 (2023 - \$20,000) and total interest income accrued was \$3,844 (2023 - \$3,542).

On February 23, 2022, the Company entered into an agreement to loan \$145,000 to Playground Ventures Inc. The principal amount plus accrued interest at 5% per annum is receivable on or before December 31, 2022. During the nine months ended February 28, 2023, the Company increased the loan to Playground

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

Ventures Inc., by \$58,411 and accrued interest income of \$6,950 (2022- \$1,947). The principal amount owing was \$203,411, plus \$8,897 in accrued interest. On February 16, 2023, the Company agreed to settle the receivable for 4,246,160 common shares of Playground Ventures Inc. The shares were fair valued at \$127,384 resulting in a loss on settlement of \$84,923.

On March 30, 2022, the Company entered into an agreement to loan \$140,000 to Playground Ventures Inc. The principal amount plus accrued interest at 5% per annum is receivable on or before December 31, 2022. During the nine months ended February 28, 2023, the Company accrued interest income of \$3,563 (2022- \$1,208). The principal amount owing was \$140,000, plus \$4,772 in accrued interest. On February 16, 2023, the Company agreed to settle the receivable for 2,895,420 common shares of Playground Ventures Inc. The shares were fair valued at \$86,863 resulting in a loss on settlement of \$57,909.

On April 13, 2022, the Company entered into an agreement to loan \$3,000 to Playground Ventures Inc. The principal amount plus accrued interest at 5% per annum is receivable on or before December 31, 2022. The Company accrued interest income of \$20 for the year ended May 31, 2022. On February 16, 2023, the Company agreed to settle the receivable for 61,920 common shares of Playground Ventures Inc. The shares were fair valued at \$1,858 resulting in a loss on settlement of \$1,238.

As part of the settlement with Playground Ventures Inc., the Company also settled \$10,868 of accounts receivable for 360,175 common shares. The common shares were fair valued at \$6,521 and the Company recorded a loss on settlement of \$4,347.

On September 6, 2022, the Company's ownership in Volatus decreased to below 50% resulting in the Company losing control and deconsolidating the financial statements of Volatus. Upon loss of control the Company recognized the value of the \$64,720 loan receivable from Volatus. Interest is accrued at 10% per annum. During the year ended May 31, 2023, \$65,993 was repaid by Volatus and the Company accrued interest of \$1,273.

On January 25, 2023, the Company advanced Rain City Resources Ltd. \$8,000. The amounts advanced are non-interest bearing and due on demand.

7. INVESTMENT IN ASSOCIATES

Volatus Capital Corp.

Volatus is a mineral resource company focused on the exploration and development of mineral property assets. As at May 31, 2022, the Company had a 51.44% equity interest in Volatus. Management determined that at May 31, 2022, the Company had control over Volatus and included the operations of Volatus in the consolidated financial statements. During the year ended May 31, 2023, the Company's interest in Volatus was reduced resulting in a loss of control.

On March 2, 2022, the Company acquired 3,050,000 units of Volatus by way of a private placement at \$0.20 per unit. Each unit consists of one common share and one common share warrant. Subsequent to this transaction the Company controlled 51.44% of the issued and outstanding common shares of Volatus. It was determined that the Company had obtained control of Volatus and accounted for the acquisition of control as an asset acquisition whereby all of the assets acquired, and liabilities assumed were assigned a carrying amount based on their relative fair values. Effective March 9, 2022, the Company included the operations of Volatus Capital Corp. in the consolidated financial statements.

On September 6, 2022, the Company's ownership in Volatus decreased to below 50% as a result of Volatus issuing shares and diluting the Company's percentage of ownership resulting in the Company losing control and deconsolidating the financial statements of Volatus. Upon loss of control the Company held a 26.47% ownership in Volatus, which was fair valued at \$557,485. The Company recorded this amount as an investment in associates and accounts for its investment in Volatus as an investment in associates. As at August 31, 2023, the Company had a 22.89% interest in Volatus.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

The following table summarizes the change in investment in Volatus for the periods ended August 31, 2023 and May 31, 2023:

	\$
Balance, May 31, 2022	-
Addition on loss of control	557,485
Additions	30,320
Disposition	(81,615)
Loss on sale	(9,644)
Equity loss on investment	(168,781)
Balance, May 31, 2023	327,765
Equity loss on investment	(18,995)
Balance, August 31, 2023	308,770

Golcap Resources Corp.

The following table summarizes the change in investment in Golcap Resources Corp. for the periods ended August 31, 2023 and May 31, 2023:

	\$
Balance, May 31, 2022	129,216
Equity loss on investment	(129,216)
Balance, May 31, 2023 and August 31, 2023	-

During the year ended May 31, 2023, the Company sold 841,000 shares of Golcap for proceeds of \$65,963. As the book value of the investment in Golcap was \$nil the Company recorded a gain on sale of \$65,963.

At May 31, 2023, management determined that the Company did not have significant influence and reclassified the investment from investment in associates to marketable securities with a fair value of \$194,900. Upon reclassification, the Company recognized a gain of \$194,900.

Origen Resources Ltd.

On August 30, 2021, the Company had a 21.4% equity interest in Origen Resources Ltd ("Origen"). Management determined that the Company has significant influence over Origen. and accordingly used the equity method to account for this investment. Subsequent to obtaining significant influence on August 30, 2021, the Company purchased 4,632,166 common shares of Origen through open market transactions for a total cost of \$1,333,630. As at May 31, 2023, the Company controlled 7,362,000 (May 31, 2022 – 10,024,975) common shares, representing 17.42% (May 31, 2022 - 28.26%) of the issued and outstanding common shares of the issuer. The Company determined that it no longer had significant influence over Origen and reclassified the balance of its investment to investment in marketable securities. Upon reclassification the Company recognized a gain of \$25,170.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

The following table summarizes the change in investment in Origen Resources Ltd. for the periods ended August 31, 2023 and May 31, 2023:

	\$
Balance, May 31, 2022	2,971,104
Additions	1,245,770
Disposition	(1,622,993)
Loss on disposition	(463,591)
Equity loss on investment	(609,441)
Transfer to short term investment in marketable securities	(1,520,849)
Balance, May 31, 2023 and August 31, 2023	-

OCP Holdings Ltd.

On December 15, 2020, the Company had a 46.3% equity interest in OCP Holdings Ltd. ("OCP"). The shareholdings controlled by the Company with other factors indicated significant influence in OCP existed in the year ended May 31, 2021, and accordingly should have used the equity method to account for this investment.

The following table summarizes the change in investment in OCP for the periods ended August 31, 2023 and May 31, 2023:

	\$
Balance, May 31, 2022	-
Additions	82,887
Disposition	(500,000)
Gain on Disposition	417,113
Balance, May 31, 2023 and August 31, 2023	-

On July 6, 2022, the Company issued 896,000 common shares to acquire 2,100,000 common shares of OCP Holdings Ltd. from each of Garry Stock and Jason Cubit Holdings Inc. The common shares were fair valued at \$255,360 with \$82,887 allocated to share capital as the cost basis for the OCP shares acquired. This was based on the fair value of the OCP shares on July 6, 2022 with the difference of \$172,473 allocated to share-based compensation. On July 7, 2022, the Company sold 100% of its interest in OCP for proceeds of \$500,000 and recognized a gain on sale of \$417,113.

Reverend Mining Corp. (formerly Cayenne Capital Corp.)

On March 17, 2021, the Company acquired a 25.3% equity interest in Reverend Mining Corp. ("Reverend"). Upon further review, Management determined that the Company had significant influence over Reverend and accordingly should have used the equity method to account for this investment.

On December 8, 2022, through a subsidiary, the Company received 250,000 shares of Reverend Mining Corp, fair valued at \$125,000, plus \$25,000 in cash; as a consideration for the Whymper project in BC. As at August 31, 2023, the Company held a 27% interest in Reverend.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

The following table summarizes the change in investment in Reverend for the periods ended August 31, 2023 and May 31, 2023:

	\$
Balance, May 31, 2021	240,595
Equity loss on investment	(145,480)
Balance, May 31, 2022	95,115
Additions in exchange for exploration and evaluation asset	125,000
Equity loss on investment	(123,792)
Balance, May 31, 2023	96,323
Equity loss on investment	(674)
Balance, August 31, 2023	95,649

8. INVESTMENT IN LEIGH CREEK

During the year ended May 31, 2022, the Company acquired a 20% interest in the Leigh Creek Project through its acquisition of Volatus. On September 6, 2022, the Company's ownership in Volatus decreased to below 50% as a result of Volatus issuing shares and diluting the Company's percentage of ownership resulting in the Company losing control and deconsolidating the result of Volatus resulting in the Company eliminating its investment in Leigh Creek through Volatus. (Note 18)

On June 1, 2022, the Company entered into a letter of intent to acquire a 69.5% interest in WitchiMag Pty Ltd. which owns a 100% interest in the Mount Hutton magnesite property; and an 80% interest in MagMetal Tech Pty, which owns a 100% interest in the Leigh Creek magnesite property (together referred to as the "The Leigh Creek Project"). The Company made an initial payment of \$1,000,000 pursuant to the letter of intent.

On November 9, 2022, the letter of intent was revised as follows:

- In addition to the \$1,000,000 advanced on June 1, 2022, Crest will advance to 1323398 BC Ltd., a company controlled by a director of the Company, a non-interest-bearing loan with a value of \$1,500,000 and a two-year term.
- The cumulative \$2,500,000 amount has been recorded as a loan with terms as set out above with an initial effective date of either (i) the execution of a Definitive Agreement, or in the event of a failure of the parties to execute a Definitive Agreement, (ii) the date of a Crest Board Resolution withdrawing from the original or Revised Letter of Intent.

Consideration on approval:

- Crest will issue from treasury 30M shares payable to 1323398 BC Ltd.
- The \$2.5M CAD loan will immediately convert to full and final payment.
- 1323398 BC Ltd will be granted an NSR, such that the overall percentage of this NSR and any other pre-existing NSR totals a maximum of 3%.

If approval is withheld:

- The \$2.5M CAD loan will remain in effect with terms as set out above subject to debt forgiveness of \$500,000 (the break fee).
- Loan repayment can be made in cash or in kind (company shares trades or a Canadian Stock exchange) at the sole election of 1323398 BC Ltd.

The balance of \$2,500,000 paid to 1323398 BC Ltd. was recorded as a long-term loan receivable.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

9. EXPLORATION AND EVALUATION ASSETS

	British Columbia, Canada									
	Split Dome Copper	To Do and Lions Den Gold	Untapped	JD Property	Belle Property	More Creek	Lone Mountain	Williams EXT	Bentley	Atlan- Rufner
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition costs										
Balance, May 31, 2022	362,172	1,200,598	956,494	261,292	125,035	106,715	547,992	219,196	41,099	60,000
Acquisition cost	-	-	-	208,750	26,875	-	-	-	-	-
Disposed on loss of control of Volatus	(362,172)	(1,200,598)	(956,494)	(470,042)	(151,910)	(106,715)	(547,992)	(219,196)	(41,099)	-
Balance, May 31, 2023 and August 31, 2023	-	-	-	-	-	-	-	-	-	60,000
Exploration expenditures										
Balance, May 31, 2022	105,843	171,395	88,403	1,495,749	-	151,205	86,414	112,859	50,693	-
Additions:										
Administration and consulting	2,500	3,200	4,000	32,278	-	-	5,100	4,200	-	-
Disposed on loss of control of Volatus	(108,343)	(174,595)	(92,403)	(1,528,027)	-	(151,205)	(91,514)	(117,059)	(50,693)	-
Balance, May 31, 2023 and August 31, 2023	-	-	-	-	-	-	-	-	-	-
Total acquisition costs and exploration expenditures										
May 31, 2023	-	-	-	-	-	-	-	-	-	60,000
August 31, 2023	-	-	-	-	-	-	-	-	-	60,000

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	British Columbia			
	Canada	Quebec	Australia	Total
	Whymper	Tan Nickel Property	Allaru Project	
	\$	\$	\$	\$
Acquisition costs				
Balance, May 31, 2022	92,695	3,197	518,488	4,494,973
Acquisition cost – cash	-	449	220,000	456,074
Disposition	(92,695)	(3,646)	-	(96,341)
Disposed on loss of control of Volatus	-	-	-	(4,056,218)
Balance, May 31, 2023 and August 31, 2023	-	-	738,488	798,488
Exploration expenditures				
Balance, May 31, 2022	-	-	516,143	2,778,704
Additions:				
Administration and consulting	-	-	20,555	71,833
Disposed on loss of control of Volatus	-	-	-	(2,313,839)
Balance, May 31, 2023	-	-	536,698	536,698
Additions:				
Administration and consulting	-	-	1,810	1,810
Balance, August 31, 2023	-	-	538,508	538,508
Total acquisition costs and exploration expenditures				
May 31, 2023	-	-	1,275,186	1,335,186
August 31, 2023	-	-	1,276,996	1,336,996

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

a) Allaru Project (formerly known as Arizona Project) (Queensland, Australia)

On March 9, 2020, the Company entered into an assignment agreement with Aeternum Holdings Ltd. ("Aeternum"), a related party by reason of a former common director. Aeternum was assigned a non-binding term sheet with Vecco Industrial Pty Ltd ("Vecco"), the owner of Arizona Queensland Vanadium Shale Project (the "Allaru Project") to acquire the Allaru Project. Pursuant to the assignment agreement, Aeternum assigned and transferred to the Company all of its rights, title and interest in the term sheet and the Allaru Project to the Company for consideration of \$450,000, which is included in accounts payable and accrued liabilities as at May 31, 2021. The Allaru Project is a resource-stage Vanadium and High Purity Alumina ("HPA") deposit located in central Queensland, Australia.

On April 20, 2020, AusVan Battery Metals Pty Ltd ("AusVan"), the Company's Australian subsidiary, entered into a sales and purchase agreement with Vecco to acquire a 100% interest in the Allaru Project for the following consideration:

- a. \$37,091 (AUD \$32,000) as reimbursement for EMP rents;
- b. \$50,000 cash (paid);
- c. \$100,000 cash (paid);
- d. \$380,000 cash (paid);
- e. share consideration equal to 40% of AusVan's issued capital on a fully diluted basis (issued); and
- f. Minimum exploration expenditures of \$500,000 within 12 months of the Completion Date (completed) and another \$500,000 within 24 months of the Completion Date (completed).

Ausvan has fulfilled its obligations as they relate to the Allaru Project.

b) Whympet Project (British Columbia)

On February 28, 2020, the Company staked gold claims near Lake Cowichan on Vancouver Island, British Columbia. During the year ended May 31, 2022, 51% of the rights, title and interest in the Whympet Property was sold to 1255929 B.C. Ltd on June 14, 2021 for \$15,000 and 2,000,000 shares of the purchaser.

On November 1, 2021, the Company entered into a sale agreement to sell the remaining 49% of the rights, title and interest in the Whympet Property to Auratus Resources Corp. (formerly known as 1255929 B.C. Ltd) for a consideration of \$250,000. Subsequent to this transaction, Auratus Resources Corp owned 100% of the rights, title and interest in the Whympet Property.

On December 8, 2022, Auratus Resources Corp., sold the Whympet property to Reverend Mining Corp., for \$25,000 cash and 2,500,000 common shares of Reverend Mining Corp; fair valued at \$125,000. The Company recorded a gain on the sale of \$57,305.

c) Tan Nickel Property (Quebec)

Pursuant to a staking agreement dated May 3, 2021, the Company engaged the former vice president of Business Development of the Company to stake mineral claims in Quebec by which ownership is held 90% by the Company and 10% by the former vice president. During the year ended May 31, 2023, the Company wrote-off the project and recorded a loss of \$3,646.

d) Atlan-Rufner (British Columbia)

The Company owns 66.7% of 1251797 BC Ltd, which owns 100% of 28 claims covering the historic Atlan-Rufner mine. The mine is about 23 kilometres northeast of Atlin. The occurrence has been an intermittent producer of silver and lead from 1916 to 1981, being operated by numerous companies.

Historic and unclassified reserves from the two zones from which underground development and

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

production has taken place are reported to be 113,638 tonnes grading 600 grams per tonne silver and 5.0 per cent lead.

The reserves noted here are historic in nature and 1251767 BC Ltd has not done sufficient work to verify that an NI 43-101 resource exists on the property. This historic reserve should not be relied upon.

e) Split Dome Copper Property (British Columbia)

During the year ended May 31, 2022, the Company acquired the Split Dome Copper property located near Hazelton, British Columbia by completing the acquisition of Volatus.

The property is subject to a 0.25% NSR royalty.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

f) To Do and Lions Den Gold Properties (British Columbia)

During the year ended May 31, 2022, the Company acquired the To Do and Lions Den Gold properties located in northwestern British Columbia by completing the acquisition of Volatus.

The properties are subject to a 1.5% NSR royalty.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

g) Untapped Property (British Columbia)

During the year ended May 31, 2022, the Company acquired the Untapped property in British Columbia by completing the acquisition of Volatus.

The property is subject to a 1% NSR royalty which the Company may purchase 0.5% for \$500,000.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

h) JD Property (British Columbia)

During the year ended May 31, 2022, the Company acquired the JD property located in the Omineca Mining Division in northern British Columbia by completing the acquisition of Volatus.

The properties are subject to a 2.5% NSR royalty.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

i) Belle Property (British Columbia)

During the year ended May 31, 2022, the Company acquired the Belle property located in northwestern British Columbia by completing the acquisition of Volatus. The properties are subject to a 2% NSR royalty.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

j) More Creek (British Columbia)

During the year ended May 31, 2022, the Company acquired the More Creek property located in northwestern British Columbia by completing the acquisition of Volatus.

The properties are subject to a 2% NSR royalty. In the event the Company acquires 100% interest in the property, the Company will be subject to an additional 1% NSR of which 0.5% can be purchased at any time for \$500,000.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

k) Lone Mountain (British Columbia)

During the year ended May 31, 2022, the Company acquired the Lone Mountain property located in British Columbia by completing the acquisition of Volatus.

The properties are subject to a 2% NSR royalty.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

l) Williams EXT (British Columbia)

During the year ended May 31, 2022, the Company acquired the Williams property located in British Columbia by completing the acquisition of Volatus.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

m) Bentley (British Columbia)

During the year ended May 31, 2022, the Company acquired the Bentley property located in the Toodogone district in north central British Columbia by completing the acquisition of Volatus.

On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 7).

10. LOANS PAYABLE

Loans payable is comprised of the following as at August 31, 2023 and May 31, 2023:

	August 31, 2023	May 31, 2023
	\$	\$
ACVC	39,867	40,104
	39,867	40,104

On May 7, 2021, the Company received an advance of \$350,000 from Exploits Discovery Corp for the purpose of initiate and manage online staking syndicate for properties in Newfoundland which are unsecured and non-interest bearing.

On May 26, 2021, the Company entered into an agreement with Exploits Discovery Corp. to sell the Gazeebow North property for consideration of \$200,000 and 1,800,000 shares of Exploits. On May 31, 2021, by mutual agreement the sale was cancelled and the purchase price of \$200,000 is to be returned to Exploits Discovery Corp. and the transfer of the shares was cancelled.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

On July 23, 2021, the Company repaid \$100,000 to Exploits Discovery Corp.

On July 26, 2021, Exploits Discovery Corp. paid \$62,649 staking fee for Newfoundland Syndicate project on behalf of the Company. During the year ended May 31, 2023, the amounts owing to Exploits were settled upon the transfer of the Gazeebow property (Note 9).

On May 24, 2022, the Company entered into an agreement to borrow \$20,000 from a company controlled by the former Chief Executive Officer. The loan shall be payable on or before September 24, 2022. The Company repaid the loan in full during the year ended May 31, 2023.

On June 8, 2021, Volatus entered into an agreement to borrow \$30,000 from Orogenic Regional Exploration Ltd. On September 6, 2022, the Company's interest in Volatus was diluted and the Company deconsolidated the financial results of Volatus. (Note 18).

11. CEBA LOAN

On April 23, 2020, the Company received a loan from the Canadian government's Canada Emergency Business Account ("CEBA") Program in the amount of \$40,000. The CEBA is a government guaranteed loan of up to \$40,000 that is interest-free until December 31, 2023. The loan is available to help businesses with operating costs during COVID-19. Twenty-five percent of the loan amount (\$10,000) is eligible for forgiveness contingent on the business repaying \$30,000 on or before December 31, 2023. If the business cannot pay back the loan by December 31, 2023, it can be converted into a 3-year term loan at an interest rate of 5%. As at August 31, 2023 the principal balance owing on the loan was \$40,000 (2022 - \$40,000).

12. SHARE CAPITAL

a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.

b) Issued and Outstanding as at August 31, 2023: 16,933,002 (2023 – 13,971,336) common shares

During the three months ended August 31, 2023:

- On August 22, 2023, the Company completed a private placement of 2,961,667 units at a price of \$0.105 per unit for gross proceeds of \$310,975. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.15 for a term of five years expiring August 23, 2028. The warrants were valued at \$44,425 using the residual value method.

During the year ended May 31, 2023:

- On January 20, 2023, the Company completed a private placement of 3,175,556 units at a price of \$0.225 per unit for gross proceeds of \$714,500. Each unit consists of one common share and one share purchase warrant. Each warrant entitles the holder to purchase one additional common share of the Company at a price of \$0.45 for a term of five years expiring January 20, 2028.
- On July 6, 2022, the Company issued 298,667 common shares to acquire 2,100,000 common shares of OCP Holdings Ltd. from each of Garry Stock and Jason Cubit Holdings Inc. The common shares were fair valued at \$255,360 with \$82,887 recorded as share capital and \$172,473 recorded as share based payments (Note 7).
- On March 23, 2023, the Company consolidated its common shares on a 3:1 basis, all historical amounts have been adjusted to reflect the share consolidation.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

c) **Stock Options**

The Company has a Stock Option Plan (the "Plan") for directors, officers, employees and consultants of the Company. Options are exercisable for periods of up to ten years, as determined by the Board of Directors of the Company, to purchase common shares of the Company at a price not less than the discounted market price on the date of the grant. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding common shares on a non-diluted basis.

A summary of the Company's stock options at August 31, 2023 and May 31, 2023 and the changes for the periods then ended is presented below:

	Number of Share Options	Weighted Average Exercise Price
		\$
Balance, May 31, 2022	125,000	0.63
Granted	919,443	0.54
Cancelled/expired	(80,000)	0.72
Forfeited	(8,890)	0.54
Balance, May 31, 2023	955,553	0.54
Cancelled/expired	(77,778)	0.54
Balance, August 31, 2023	877,775	0.18
Unvested	(332,221)	0.54
Balance, August 31, 2023 vested and exercisable	545,554	0.54

Details of stock options outstanding and exercisable as at August 31, 2023 are as follows:

Expiry Date	Exercise Price \$	Outstanding	Exercisable
June 1, 2025	0.585	47,222	47,222
June 2, 2027	0.54	830,553	498,332
		877,775	545,554

The weighted average remaining contractual life of stock options outstanding at August 31, 2023 was 3.58 years (2023 – 3.78 years).

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

d) **Warrants**

A summary of the Company's share purchase warrants as at August 31, 2023 and May 31, 2023 and the changes for the period then ended is presented below:

	Number of Warrants	Weighted Average Exercise Price \$
Balance, May 31, 2022	2,791,666	0.81
Issued	3,175,556	0.45
Balance, May 31, 2023	5,967,222	0.62
Issued	2,961,667	0.15
Balance, August 31, 2023	8,928,889	0.46

As at August 31, 2023, the Company had outstanding and exercisable warrants as follows:

Expiry Date	Number of warrants	Exercise Price \$	Weighted Average Period (years)
July 25, 2024	1,158,333	0.67	0.90
March 9, 2025	1,633,333	0.90	1.52
January 20 2028	3,175,556	0.45	4.39
August 22, 2023	2,961,667	0.15	4.98
	8,928,889	0.46	3.61

13. RELATED PARTY TRANSACTIONS AND BALANCE

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. 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.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer ("CEO") and chief financial officer ("CFO") of the Company. Key management personnel compensation during the three months ended August 31, 2023 and 2022 was comprised of the following:

	August 31, 2023 \$	August 31, 2022 \$
Management fees ¹	75,000	69,500
Consulting fees ²	78,000	123,000
Director fees	-	12,211
Share-based payments	3,635	82,663
	156,635	287,374

¹ Includes amounts paid to the interim CFO, CEO and Directors of the Company

² Includes amounts paid to directors of the Company and the CEO of Volatus up to September 6, 2022.

As at August 31, 2023, the Company had \$254,095 (2023 - \$189,180) in accounts payable owing to current and former directors and officers of the Company; including \$45,770 to cover reimbursable expenses to

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

related parties. The amounts included in accounts payable are non-interest bearing and due on demand.

During the three months ended August 31, 2023, the Company settled \$45,000 of related party accounts payable in exchange for shares of Origen Resources.

As at August 31, 2023, the Company had \$539,710 in loans receivable from Orogenic Regional Exploration Ltd. a company controlled by a related party. (Note 6)

As at August 31, 2023, the Company had \$2,500,000 in loans receivable from a related party (Note 8).

14. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Fair Values and Classification of Financial Instruments

The Company's financial instruments consist of cash, restricted cash, marketable securities, accounts receivable, Investments, loans and notes receivable, accounts payable, and loans payable and CEBA loan. Financial instruments are classified into one of the following categories: FVTPL, FVTOCI, or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	August 31, 2023	May 31, 2023
		\$	\$
Cash	FVTPL	59,467	10,320
Restricted cash	FVTPL	5,063	5,063
Marketable securities	FVTPL	533,079	1,720,412
Investments	FVTPL	109,814	133,722
Accounts receivable	Amortized cost	49,260	12,582
Loans and notes receivable	Amortized cost	3,047,710	3,041,092
Accounts payable	Amortized cost	890,395	1,013,957
Loans payable and CEBA loan	Amortized cost	79,867	80,104

IFRS 7, *Financial Instruments: Disclosures*, establishes 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 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – 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); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Marketable securities are measured at fair value on a recurring basis using level 1 inputs. Investments in warrants are measured on a recurring basis using level 2 inputs. Private investments are measured on the hierarchy at level 3 using unobservable inputs. The continuity and valuation techniques that are used to determine the fair value of the investments in warrants are described in Note 5.

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

The fair value of the Company's cash, restricted cash, accounts receivable, loans and notes receivable, accounts payable, loans payable and CEBA loan payable approximates their carrying value as at August 31, 2023 and May 31, 2023 because of the demand nature or short-term maturity.

Financial risk management objectives and policies

The risks associated with the Company's financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented in a timely and effective manner.

Currency risk

The majority of Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign-currency-denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Interest rate risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Credit risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high-quality financial institution. As at August 31, 2023, the Company's maximum credit risk is the carrying value of cash, accounts receivable and loans and notes receivable.

Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Factors that could impact the Company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the Company's marketable securities for the purposes of raising financing.

The current state of equity markets presents a challenge to raise financing and management believes that this condition will continue over the next twelve months.

Contractual undiscounted cash flow requirements of financial liabilities at August 31, 2023 are as follows:

	Less than 1 year \$	Between 1 – 5 years \$	More than 5 years \$	Total \$
Accounts payable and accrued liabilities	890,395	-	-	890,395
Loan payable	39,867	-	-	39,867
CEBA loan	-	40,000	-	40,000
	930,262	40,000	-	970,262

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The COVID-19 pandemic, Russia's actions in the Ukraine and related economic consequences are extenuating impacts on the current volatility of financial markets. Market conditions will cause fluctuations in the fair value of the Company's marketable securities. The Company's ability to raise capital to fund exploration, development or investing activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

16. COMMITMENTS

The Company is committed to certain cash payments, share issuances, management agreements and exploration expenditures in connection with the acquisition of its mineral property claims as described in Note 9.

17. SUPPLEMENTAL CASH FLOW INFORMATION

During the three months ended August 31, 2023 and 2022, the Company incurred the following non-cash transactions that are not reflected in the statements of cash flows:

	2023	2022
	\$	\$
Transfer from investment in associates to marketable securities	-	135,000
Marketable securities disposed to settle accounts payable	45,000	-

There were no amounts of cash paid for income taxes for the periods presented.

18. SEGMENTED INFORMATION

The Company operates in one business segment, acquisition and exploration of mineral property assets and three geographical segments, Australia, Canada, and Peru during the period ended August 31, 2023.

As at August 31, 2023 and May 31, 2023 and for the periods ended August 31, 2023 and 2022, the Company's assets, liabilities and net loss by geographical segment were as follows:

	Three months ended	
	August 31,	August 31,
	2023	2022
	\$	\$
Net loss		
Canada	1,253,290	2,065,328
Peru	-	42,884
Australia	58,618	152,763
Total	1,311,908	2,260,975

CREST RESOURCES INC.
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED AUGUST 31, 2023 AND 2022
(Unaudited - expressed in Canadian dollars)

	As at August 31, 2023	May 31, 2023
	\$	\$
Assets		
Canada	4,417,055	5,524,230
Australia	1,301,833	1,301,085
Total	5,718,888	6,825,315
Liabilities		
Canada	706,867	853,433
Australia	263,395	240,628
Total	970,262	1,094,061

19. SUBSEQUENT EVENTS

On October 12, 2023, the Company completed a 3:1 share consolidation, all historical amounts have been adjusted to reflect the share consolidation.