

# **CMP MINING INC.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**NINE MONTHS ENDED FEBRUARY 29, 2024 and FEBRUARY 28, 2023**

*(Unaudited – Expressed in Canadian Dollars)*

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

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

The accompanying unaudited condensed interim financial statements of CMP Mining Inc. (the "Company") have been prepared by and are the responsibility of management. These condensed interim financial statements as at February 29, 2024 and for the nine months then ended have not been reviewed or audited by the Company's independent auditors.

**CMP Mining Inc.**  
**Condensed Interim Statements of Financial Position**  
(Expressed in Canadian Dollars)

| <b>As at</b>                                      | <b>Note</b> | <b>February 29, 2024</b> | <b>May 31, 2023</b> |
|---|-------------|--------------------------|---------------------|
|   |             | \$<br>(Unaudited)        | \$<br>(Audited)     |
| <b>ASSETS</b>                                     |             |                          |                     |
| <b>CURRENT</b>                                    |             |                          |                     |
| Cash  |             | 118,767                  | 167,575             |
| Prepaid expenses and deposits                     |             | 3,460                    | 9,696               |
| Goods and Services Tax receivable                 |             | 3,075                    | 20,709              |
| Exploration and evaluation asset                  | 4           | 125,302<br>27,700        | 197,980<br>27,700   |
| <b>TOTAL ASSETS</b>                               |             | <b>153,002</b>           | <b>225,680</b>      |
| <b>LIABILITIES</b>                                |             |                          |                     |
| <b>CURRENT</b>                                    |             |                          |                     |
| Accounts payable and accrued liabilities          | 8           | 82,195                   | 101,372             |
| Loans payable                                     | 5           | 40,000                   | 40,000              |
| <b>TOTAL LIABILITIES</b>                          |             | <b>122,195</b>           | <b>141,372</b>      |
| <b>SHAREHOLDERS' EQUITY</b>                       |             |                          |                     |
| Common shares                                     | 6           | 658,258                  | 658,258             |
| Deficit   |             | (627,451)                | (573,950)           |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                 |             | <b>30,807</b>            | <b>84,308</b>       |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> |             | <b>153,002</b>           | <b>225,680</b>      |

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

Approved and authorized for issue on behalf of the Board on April 29, 2024:

"Norman Yurik" Director

"Terri Anne Welyki" Director

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

**CMP Mining Inc.**  
**Condensed Interim Statements of Comprehensive Loss**  
(Unaudited – Expressed in Canadian Dollars)

|   | Note | Three<br>Months<br>Ended<br>February 29,<br>2024 | Three<br>Months<br>Ended<br>February 28,<br>2023 | Nine<br>Months<br>Ended<br>February 29,<br>2024 | Nine<br>Months<br>Ended<br>February 28,<br>2023 |
|---|------|--|--|---|---|
|   |      | \$   | \$   | \$  | \$  |
| <b>EXPENSES</b>   |      |  |  |   |   |
| Audit fees and tax compliance   |      | 5,000  | 12,750   | 16,416  | 24,250  |
| Exploration and evaluation  |      | 5,110  | 213,157  | 5,960   | 230,933   |
| Finance fees  |      | 525  | 395  | 1,560   | 395   |
| Legal fees  |      | -  | 31,485   | 935   | 68,009  |
| Office and general administrative   | 8    | 9,699  | 17,524   | 16,345  | 28,516  |
| Regulatory and transfer agent   |      | 3,367  | 23,117   | 12,351  | 27,895  |
| <b>LOSS BEFORE OTHER ITEMS</b>  |      | (23,701)   | (298,428)  | (53,567)  | (379,998)                                       |
| <b>OTHER ITEMS</b>  |      |  |  |   |   |
| Interest income   |      | -  | 767  | 66  | 3,716   |
| Part XII.6 tax expense  |      | -  | (3,238)  | -   | (7,238)   |
| Recovery on flow-through premium  | 4    | -  | 81,473   | -   | 98,299  |
| <b>TOTAL OTHER ITEMS</b>  |      | -  | 79,002   | 66  | 94,777  |
| <b>LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD</b>                               |      | (23,701)   | (219,426)  | (53,501)  | (285,221)                                       |
| <b>Loss per share, basic and diluted</b>  |      | (0.00)   | (0.01)   | (0.00)  | (0.02)  |
| <b>Weighted average number of common shares outstanding – basic and diluted</b> |      | 14,788,000                                       | 14,788,000                                       | 14,788,000                                      | 14,788,000                                      |

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

**CMP Mining Inc.**  
**Condensed Interim Statements of Changes in Equity**  
(Unaudited – Expressed in Canadian Dollars)

|                            | <b>Common Shares</b>        |               | <b>Deficit</b> | <b>Total</b> |
|----------------------------|-----------------------------|---------------|----------------|--------------|
|                            | <b>Number of<br/>Shares</b> | <b>Amount</b> |                |              |
|                            |                             | <b>\$</b>     | <b>\$</b>      | <b>\$</b>    |
| Balance, May 31, 2022      | 14,788,000                  | 658,258       | (264,482)      | 393,776      |
| Net loss for the period    | -                           | -             | (285,221)      | (285,222)    |
| Balance, February 28, 2023 | 14,788,000                  | 658,258       | (549,703)      | 108,554      |
| Net loss for the period    | -                           | -             | (24,247)       | (24,246)     |
| Balance, May 31, 2023      | 14,788,000                  | 658,258       | (573,950)      | 84,308       |
| Net loss for the period    | -                           | -             | (53,501)       | (53,501)     |
| Balance, February 29, 2024 | 14,788,000                  | 658,258       | 627,451        | 30,807       |

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

**CMP Mining Inc.**  
**Condensed Interim Statements of Cash Flows**  
**For the Nine Months Ended**  
(Unaudited – Expressed in Canadian Dollars)

|  | February 29, 2024 | February 28, 2023 |
|--|-------------------|-------------------|
| <b>Cash provided by (used in):</b>                   | <b>\$</b>         | <b>\$</b>         |
| <b>OPERATING ACTIVITIES</b>                          |                   |                   |
| Net loss for the period                              | (53,501)          | (285,221)         |
| <b>Items not affecting cash</b>                      |                   |                   |
| Finance fees   | 1,560             | -                 |
| Recovery of flow-through premium                     | -                 | (98,299)          |
| <b>Net changes in non-cash working capital items</b> |                   |                   |
| Prepaid expenses and deposits                        | 6,236             | (9,233)           |
| Goods and Services Tax receivable                    | 17,634            | (14,315)          |
| Accounts payable and accrued liabilities             | (20,737)          | 15,594            |
| <b>Net cash used in operating activities</b>         | <b>(48,808)</b>   | <b>(391,474)</b>  |
| <b>FINANCING ACTIVITIES</b>                          |                   |                   |
| Loans payable  | -                 | 40,000            |
| <b>Cash provided by financing activities</b>         | <b>-</b>          | <b>40,000</b>     |
| Change in cash                                       | (48,808)          | (351,474)         |
| Cash, beginning of period                            | 167,575           | 580,525           |
| <b>Cash, end of period</b>                           | <b>118,767</b>    | <b>229,051</b>    |
| <b>Supplemental information</b>                      |                   |                   |
| Cash paid on interest                                | -                 | -                 |
| Cash paid on income taxes                            | -                 | -                 |
| Cash received from interest                          | 66                | 3,716             |

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

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**CMP Mining Inc.****Notes to the Condensed Interim Financial Statements**

For the Nine Months Ended February 29, 2024 and February 28, 2023

(Unaudited – Expressed in Canadian Dollars)

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

CMP Mining Inc., formerly known as Vanadium 23 Capital Corporation, (the “Company” or “CMP”) was incorporated on January 30, 2018 as 1151139 BC Ltd. pursuant to the *Business Corporations Act* of British Columbia. The Company’s principal business activities include the acquisition and exploration of mineral property assets. The Company’s common shares are listed for trading on the Canadian Securities Exchange (“CSE”) under the symbol “CMP”.

The head office and principal address of the Company is located at Suite 2820, 200 Granville Street, Vancouver, British Columbia, V6C 1S4. The registered and records office of the Company is located at Suite 1604 – 1166 Alberni Street, Vancouver, British Columbia, V6E 3Z3.

The Company’s condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. The Company’s ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These condensed interim financial statements do not give effect to any 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 discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed interim financial statements. Such adjustments could be material.

The Company’s business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including the relations between NATO and the Russian Federation regarding the situation in Ukraine, the Israeli-Palestinian conflict in the Middle East and potential economic global challenges, such as the risk of higher inflation and the energy crises, may create further uncertainty and risk with respect to the prospects of the Company’s business.

## **2. SIGNIFICANT ACCOUNTING POLICIES**

### a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company’s audited financial statements as at May 31, 2023 and for the year then ended, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These condensed interim financial statements were authorized for issue in accordance with a resolution from the Board of Directors on April 29, 2024.

### b) Basis of presentation

These condensed interim financial statements have been prepared on the historical cost basis with the exception of financial instruments that are measured at fair value, as explained in the accounting policies set out below. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all periods presented in these condensed interim financial statements.

### c) Accounting policies

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company’s audited financial statements as at May 31, 2023 and for the year then ended.

### d) New standards, interpretations and amendments

IAS 1 *Presentation of Financial Statements* and IFRS Practice Statement 2 *Making Materiality Judgments*: In February 2021, the IASB issued amendments to IAS 1 and the IFRS Practice Statement 2 to provide guidance on the application of materiality judgments to accounting policy disclosures. The amendments to IAS 1 replace the requirement to disclose “significant” accounting policies with a requirement to disclose “material” accounting policies. Guidelines and illustrative examples are added in the Practice Statement to assist in the application of materiality concept when making the judgments about accounting policy disclosures. Effective January 1, 2023, the Company adopted these amendments prospectively. These amendments had no material impact to these condensed interim financial statements.



**3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of the condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

*Critical accounting estimates*

Significant accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the condensed interim financial statements include, but are not limited to, the following:

Impairment of investment

The Company evaluated its investment at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's investment. The assessment of impairment is dependent upon estimates of recoverable amounts that take into account various factors.

*Critical judgments in applying accounting policies*

Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. Critical accounting judgments include, but are not limited to, the following:

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Recoverability of the carrying value of the Company's exploration and evaluation asset

Evaluating for recoverability during the exploration and evaluation phase requires judgment in determining whether future economic benefits from future exploitation, sale or otherwise are likely. Evaluations may be more complex where activities have not reached a stage that permits a reasonable assessment of the existence of reserves or resources. Management must make certain estimates and assumptions about future events or circumstances, including, but not limited to, the interpretation of geological, geophysical and seismic data, the Company's financial ability to continue exploration and evaluation activities, contractual issues with joint venture partners, the impact of government legislation and political stability in the region, and the impact of current and expected future metal prices on potential reserves.

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**CMP Mining Inc.****Notes to the Condensed Interim Financial Statements**

For the Nine Months Ended February 29, 2024 and February 28, 2023

(Unaudited – Expressed in Canadian Dollars)

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**4. EXPLORATION AND EVALUATION ASSET AND EXPENSE**

On December 22, 2021, the Company entered into an option agreement (the “Agreement”) with Cariboo Rose Resources Ltd. (“Cariboo”) whereby the Company will (a) make option payments to Cariboo totaling (i) \$250,000 cash; (ii) 200,000 common shares of CMP (“CMP Shares”); and (iii) an additional \$250,000 in cash or, at the election of CMP, CMP Shares; and (b) incurring \$2,000,000 in exploration expenditures on the 70% interest in a property located in Merritt, British Columbia, all over a period of four years.

During the nine months ended February 29, 2024 and year ended May 31, 2023, the Company did not incur any acquisition costs.

During the year ended May 31, 2022, the Company made a \$20,000 cash payment and issued 100,000 shares at \$0.05 per share for a value of \$5,000 to Cariboo according to the Agreement. In addition, it incurred \$2,700 for staking claims for the year ended May 31, 2022.

As at February 29, 2024, the Company has exploration and evaluation asset of \$27,700 (May 31, 2023 - \$27,700).

On October 17, 2022, the Agreement was amended to delay the payment schedule by one year and to increase the size of the property. On December 19, 2022, the Agreement was amended to change the \$30,000 payment due December 22, 2023 from a cash payment to a payment of cash or common shares at the election of the Company. The Company is currently in negotiation with Cariboo to keep the Agreement in good standing.

On December 19, 2022, the Agreement was amended to the following schedule:

| Due Date          | Cash                  | Common Shares          | Cash or Common Shares <sup>(3)</sup> | Exploration Expenditures |
|-------------------|-----------------------|------------------------|--------------------------------------|--------------------------|
|                   | \$                    | #                      | \$                                   | \$                       |
| December 24, 2021 | 20,000 <sup>(1)</sup> | 100,000 <sup>(2)</sup> | -                                    | -                        |
| December 22, 2023 | -                     | 100,000                | 30,000 <sup>(3)</sup>                | 300,000                  |
| December 22, 2024 | 40,000                | -                      | 30,000 <sup>(3)</sup>                | 500,000                  |
| December 22, 2025 | 50,000                | -                      | 70,000 <sup>(3)</sup>                | 500,000                  |
| December 22, 2026 | 110,000               | -                      | 150,000 <sup>(3)</sup>               | 700,000                  |
| <b>Total</b>      | <b>220,000</b>        | <b>200,000</b>         | <b>280,000 <sup>(3)</sup></b>        | <b>2,000,000</b>         |

<sup>(1)</sup> The Company has made the payment

<sup>(2)</sup> The Company has issued the common shares

<sup>(3)</sup> Payable in cash or equivalent market value of common shares, at the election of the Company

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**CMP Mining Inc.****Notes to the Condensed Interim Financial Statements**

For the Nine Months Ended February 29, 2024 and February 28, 2023

(Unaudited – Expressed in Canadian Dollars)

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**4. EXPLORATION AND EVALUATION ASSET AND EXPENSE (continued)**

The following table summarizes the exploration and evaluation expenses incurred at the property:

|   | Three months<br>ended<br>February 29,<br>2024<br>\$ | Three months<br>ended<br>February 28,<br>2023<br>\$ | Nine months<br>ended<br>February 29,<br>2024<br>\$ | Nine months<br>ended<br>February 28,<br>2023<br>\$ |
|---|---|---|--|--|
| Analytical and samples related<br>(recovered) | 414   | -   | 414  | (412)  |
| Drilling                                      | -   | 132,263   | -  | 132,263  |
| Equipment and warehouse rental                | -   | 800   | -  | 10,084   |
| Exploration travel and related                | -   | 1,644   | -  | 2,044  |
| Geological and geoscience                     | 4,696   | 58,450  | 5,546  | 66,955   |
| Reclamation                                   | -   | 20,000  | -  | 20,000   |
| Total   | 5,110   | 213,157   | 5,960  | 230,934  |

During the nine months ended February 29, 2024, the Company incurred \$nil (February 28, 2023 - \$98,299) on settlement of flow-through share premium liability pursuant to qualifying expenditures.

**5. LOANS PAYABLE**

On January 9, 2023, the Company entered into unsecured demand loan agreements with three shareholders for total proceeds of \$40,000. The demand loans bear interest at an annual rate of 5%, to be calculated and accrued monthly. The loans and their accrued interest have a maturity date that is the earlier of (i) one year from the date of listing of the Company's shares on the CSE, which is January 26, 2023; and (ii) January 31, 2024. For the nine months ended February 29, 2024, the Company has accrued interest of \$1,560 (February 28, 2023 - \$395).

**6. SHARE CAPITAL***Authorized*

The Company's authorized capital consists of an unlimited number of common shares without par value.

*Issued and outstanding*

There was no change in share capital during the nine months ended February 29, 2024.

As at February 29, 2024, there were 1,736,250 common shares held in escrow (May 31, 2023 - 2,604,375). Escrowed shares are to be released from escrow in six equal tranches commencing on July 26, 2023 and continuing every six months thereafter.

**7. CAPITAL DISCLOSURE**

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 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. There has been no change as of February 29, 2024.

**8. RELATED PARTY BALANCES AND TRANSACTIONS**

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 personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

During the nine months ended February 29, 2024, the Company incurred accounting and tax preparation fees of \$15,972 (February 28, 2023 - \$26,300) and \$9,505 (February 28, 2023 - \$16,300), respectively, included in office and general administrative expenses accrued to Fehr & Associates, a corporation that employs the chief financial officer for accounting and tax services.

As at February 29, 2024, the Company has included in accounts payable and accrued liabilities \$21,552 (May 31, 2023 - \$35,000) owing to Fehr & Associates. This amount is unsecured, non-interest-bearing and due on demand.

**9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK***Fair value*

The carrying values of cash, accounts payable and accrued liabilities, and loans payable approximate their fair values due to the short-term nature of these instruments or market rates of interest.

*Credit risk*

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. The Company limits its exposure to credit risk for cash by placing it with high quality Canadian financial institutions.

*Liquidity risk*

The Company manages liquidity risk through the management of its capital structure, as outlined in Note 7. The Company monitors its ability to meet its short-term exploration and administrative expenditure requirements by raising additional funds through share issuances when required. As of February 29, 2024, the Company had working capital surplus of \$3,107 (May 31, 2023 - \$56,608).

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**CMP Mining Inc.****Notes to the Condensed Interim Financial Statements**

For the Nine Months Ended February 29, 2024 and February 28, 2023

(Unaudited – Expressed in Canadian Dollars)

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**9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (Continued)***Price risk*

The Company is exposed to price risk with respect to commodity prices. The Company's future mining operations will be significantly affected by changes in the market price for precious metal. Precious metal prices fluctuate daily and are affected by numerous factors beyond the Company's control. The supply and demand for commodities, level of interest rates, rate of inflation, investment decisions by large holders of commodities and stability of exchange rates can all cause significant fluctuations in commodity prices.

*Foreign exchange risk*

Foreign exchange risk is the risk that the fair value or future cash flows will fluctuate due to changes in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant cash flow fluctuations due to interest rate changes on its loans payable, as it bears interest at a fixed rate of 5%.