

**CAMEO RESOURCES INC.**  
**(Formerly Elmira Capital Inc.)**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

For the Nine months ended May 31, 2024

Unaudited - Prepared by Management

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Condensed Consolidated Interim Statements of Financial Position

Unaudited – Prepared by Management

(Expressed in Canadian dollars)

	May 31, 2024	August 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 550,145	\$ 4,131
Marketable securities (Note 5)	649	1,178
<b>Total current assets</b>	<b>550,794</b>	<b>5,309</b>
<b>Non-current assets</b>		
Exploration and evaluation assets (Note 6)	328,706	328,706
<b>Total non-current assets</b>	<b>328,706</b>	<b>328,706</b>
<b>TOTAL ASSETS</b>	<b>\$ 879,500</b>	<b>\$ 334,015</b>
<b>LIABILITIES AND SHAREHOLDERS' DEFICIT</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (Notes 7 and 8)	\$ 65,497	\$ 138,747
<b>Total current liabilities</b>	<b>65,497</b>	<b>138,747</b>
<b>Long-term liabilities</b>		
Due to related parties (Note 8)	343,297	918,352
<b>Total long-term liabilities</b>	<b>343,297</b>	<b>918,352</b>
<b>TOTAL LIABILITIES</b>	<b>408,794</b>	<b>1,057,099</b>
<b>SHAREHOLDERS' DEFICIT</b>		
Capital stock (Note 7)	1,901,500	701,500
Reserves (Note 7)	73,070	47,002
Deficit	(1,503,864)	(1,471,586)
<b>TOTAL SHAREHOLDERS' DEFICIT</b>	<b>470,706</b>	<b>(723,084)</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT</b>	<b>\$ 879,500</b>	<b>\$ 334,015</b>

Nature and continuance of operations (Note 1)

Proposed transaction (Note 12)

The condensed consolidated interim financial statements are signed on the Company's behalf by:

“Abby Farrage”

Director & Chief Executive Officer

“Leonard Senfi”

Director

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

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Condensed Consolidated Interim Statements of Operations and Comprehensive Loss

Unaudited – Prepared by Management

(Expressed in Canadian dollars)

	Three months ended May 31, 2024	Three months ended May 31, 2023	Nine months ended May 31, 2024	Nine months ended May 31, 2023
<b>EXPENSES</b>				
Accounting and audit	\$ -	\$ -	\$ 18,900	\$ 48,665
Consulting fees ( <i>Note 8</i> )	11,500	8,000	17,000	20,000
Management fees ( <i>Note 8</i> )	7,500	15,000	7,500	45,000
Office and administration ( <i>Note 8</i> )	12,440	23,914	13,987	48,436
Professional fees	57,873	5,539	91,162	16,965
Share-based compensation	26,069	10,176	26,066	10,176
Financing Costs	87,974	-	106,164	-
Transfer agent fee & regulatory fee	21,000	-	23,625	1,500
	(224,356)	(62,629)	(304,404)	(190,742)
<b>OTHER ITEMS</b>				
Gain on forgiveness of debt ( <i>Note 8</i> )	-	-	272,655	14,365
Unrealized gain (loss) on marketable securities ( <i>Note 5</i> )	(529)	(842)	(529)	336
	(529)	(842)	272,126	14,701
<b>Gain/(Loss) and comprehensive loss for the period</b>	\$ (224,885)	\$ (63,471)	\$ (32,278)	\$ (176,041)
<b>Basic and diluted gain (loss) per share</b>	\$ (0.00)	\$ (0.00)	0.00	(0.01)
<b>Weighted average number of shares outstanding – basic and diluted</b>	23,600,441	17,040,001	21,123,943	17,040,001

s

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Condensed Consolidated Interim Statements of Cash Flows

For the nine months ended May 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian dollars)

	Nine months ended May 31, 2024	Nine months ended May 31, 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss for the period	\$ (32,278)	\$ (176,041)
Items not involving cash:		
Accrued management fees	-	45,000
Accrued office and administration	-	22,500
Share-based compensation		10,176
Gain on forgiveness of debt	(264,855)	(14,365)
Unrealized gain on marketable securities	529	(336)
Changes in non-cash operating working capital:		
Trust account	-	2,292
Accounts payable and accrued liabilities	(73,250)	15,971
Net cash used in operating activities	(369,854)	(94,803)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Net exploration and evaluation expenditures	-	(54,668)
Net cash used in investing activities	-	(54,668)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Due to related parties	(310,200)	113,905
Capital stock	1,200,000	-
Equity reserve	26,068	-
Net cash provided by financing activities	915,868	113,905
Change in cash	546,014	(35,566)
Cash, beginning	4,131	45,732
Cash, ending	\$ 550,145	\$ 10,166

## Supplemental Cash Flow Information:

There were no supplemental cash flow disclosures for the nine months ended May 31, 2024 and May 31, 2023.

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Condensed Consolidated Interim Statement of Changes in Equity

Unaudited – Prepared by Management

(Expressed in Canadian dollars)

	Number of shares	Capital Stock	Reserve	Deficit	Total Equity
Balance as at August 31, 2023	17,040,001	\$ 701,500	\$ 47,002	\$ (1,471,586)	\$ (723,084)
Debt settlement	4,500,000	450,000	-	-	450,000
Comprehensive gain/(loss) for the period	-	-	-	241,128	241,128
Balance as at November 30, 2023	21,540,001	\$ 1,151,500	\$ 47,002	\$ (1,230,458)	\$ (31,956)
Comprehensive gain/loss for the period	-	-	-	(48,521)	(48,521)
Balance as at February 29, 2024	21,540,001	\$1,151,500	\$47,002	\$(1,278,979)	\$(80,477)
IPO shares issued May 7, 2024 (\$0.10 per share)	7,500,000	750,000	-	-	750,000
750,000 options – Black-Scholes	-	-	26,068	-	26,068
Comprehensive loss for period	-	-	-	(224,885)	(224,885)
<b>Balance as at May 31, 2024</b>	<b>29,040,001</b>	<b>\$ 1,901,500</b>	<b>\$ 73,070</b>	<b>\$ (1,503,864)</b>	<b>\$ 470,706</b>

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

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Notes to the condensed consolidated interim financial statements

For the nine months ended May 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

---

## 1. NATURE AND CONTINUANCE OF OPERATIONS

Elmira Capital Inc. (the "Company") was incorporated on August 22, 2014 under the Business Corporation Act of British Columbia. On May 12, 2023, the Company changed its name to Cameo Resources Inc. The head office of the Company is 5623 145A Street, Surrey, B.C. V3S 8E3. The Company is a junior exploration company.

These condensed consolidated 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. As at May 31, 2024, the Company has not generated any revenues from operations, has a working capital of \$470,706 (August 31, 2023 – (\$723,084)) and an accumulated deficit of \$1,503,864 (August 31, 2023 - \$1,471,586). The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These condensed consolidated interim financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

If the going concern assumption is not appropriate for these condensed consolidated interim financial statements, then adjustments that would be necessary to the carrying value of assets and liabilities, the reported expenses, and the classifications used could be material.

## 2. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, International Accounting Standard ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The Company's functional and reporting currency is the Canadian dollar. The condensed consolidated interim financial statements were prepared and approved for issuance by the Board of Directors on July 8, 2024.

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments which are measured at their fair value as explained in the accounting policies set out below. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting.

These condensed consolidated interim financial statements have been prepared on a going concern basis which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

### **Basis of Consolidation**

These consolidated financial statements include the accounts of the Company, which is incorporated under the laws of British Columbia, and its wholly owned subsidiary, Elmira Capital (US) Corp. which was incorporated in Nevada, USA on December 23, 2019. All significant intercompany balances and transactions have been eliminated upon consolidation. The entity was inactive during the year.

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Notes to the condensed consolidated interim financial statements

For the nine months ended May 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

## 3. JUDGMENT, ESTIMATES AND ASSUMPTIONS

The preparation of these condensed consolidated interim financial statements in conformity of IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed consolidated interim financial statements and reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In preparing these condensed consolidated interim financial statements, significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended August 31, 2023.

## 4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Company in these condensed consolidated interim financial statements are the same as those applied by the Company as at and for the year ended August 31, 2023.

### New standards, interpretations and amendments not yet effective

Accounting standards, amendments to standards and interpretations that have been issued but have future effective dates are either not applicable or are not expected to have a material effect on the financial statements of the Company.

## 5. MARKETABLE SECURITIES

Marketable securities are recorded at fair value through profit and loss and are comprised of the following:

	May 31, 2024			August 31, 2023		
	Common shares	Market value	Cost	Common shares	Market value	Cost
Right Season Investments Corp. (formerly Urban Select Capital Corp).	481	\$ 649	\$ 25,250	33,668	\$ 1,178	\$ 25,250
		\$ 649	\$ 25,250		\$ 1,178	\$ 25,250

During the period ended May 31, 2024, the Company did not recognize a gains or losses on marketable securities.

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Notes to the condensed consolidated interim financial statements

For the nine months ended May 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

## 6. EXPLORATION AND EVALUATION ASSETS

	Nevada Claims, USA
<b>Balance – August 31, 2023</b>	<b>\$ 328,706</b>
<b>Balance – May 31, 2024</b>	<b>\$ 328,706</b>

### Nevada Claims, USA

The Company entered into an option agreement with Kokanee Placer Two Ltd. (“Kokanee”) in December 2018, which was amended in November 2019 and on September 21, 2022. Pursuant to the agreement, Kokanee granted the Company an option to earn an 80% interest in certain mineral claims in Nevada, USA for consideration of the following:

- i) Cash payment of \$50,000 USD (paid);
- ii) Issuance of 1,000,000 shares on or before January 31, 2019 (issued with a fair value of \$30,000); and
- iii) \$75,000 USD in exploration expenditures incurred on or before each of September 1, 2019 and December 31, 2019, respectively (deemed by optionor to have been incurred).

Kokanee further granted the Company an option to purchase up to an additional 20% interest in the mineral claims in consideration of cash payments of \$1,000,000 for each additional 5% interest in the mineral claims for up to \$4,000,000.

On September 21, 2022, Kokanee provided notice to the Company that it removed the requirement of the for the additional cash payments of \$1,000,000 for each additional 5% interest in the mineral claims and confirmed that the Company had earned the additional 20% interest prior to December 31, 2021.

## 7. SHARE CAPITAL

On November 7, 2023, the Company entered into debt reorganization agreements with the CEO of the Company and a company controlled by the CEO, the “Debt Holders”, whereby the Debt Holders agreed to settle debt of \$450,000 through the issuance of 4,500,000 common shares of the Company, forgive debt of \$262,700 and issue a postponement of payment for \$213,852 until the date which is 13 months from the date that the Company’s common shares are listed and called for trading on the CSE. The Company issued these shares on November 7, 2023.

On May, 7, 2024, the Company successfully completed its initial public offering of 7,500,000 common shares of the Company at \$0.10 per share for gross proceeds of up to \$750,000. The Company will pay to the Agent a commission of 10% of the gross proceeds of the IPO, issue compensation options (“Compensation Options”) equal in number to 10% of the number of shares sold under the IPO. In connections with the Offering and pursuant to an agency agreement dated November 24, 2023 between the Corporation and Ventum Financial Corp. (formerly PI Financial Corp.) is to received 750,000 options at an exercise price of \$0.10 per share. The Agents Compensation Options will expire in 60 months from the closing date of this Offering.

The Corporation’s Shares were listed on the Canadian Securities Exchange (the “CSE”) effective May 8 2024, The Corporation’s Shares commenced trading on the CSE under the trading symbol “MEO” on May 8, 2024.

Authorized – unlimited common and preferred shares without par value

- (b) Issued and outstanding: 29,040,001 as at May 31, 2024 and 17,040,001 as at August 31, 2023.

### Stock options

The Company’s plan allows the directors to grant stock options to directors, officers, employees and consultants to purchase up to a total of 10% of the issued and outstanding common shares. No stock option granted under the plan is transferable by the optionee other than by will or the laws of descent and distribution, and each stock option is exercisable during the lifetime of the optionee only by such optionee.



# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Notes to the condensed consolidated interim financial statements

For the nine months ended May 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

On May 15, 2023, the Company approved the issuance of 1,050,000 stock options to officers and directors of the Company to be effective on the date the Company lists its shares on the Canadian Securities Exchange (“CSE”). Each stock option will be exercisable at \$0.10 per share for a period of five years from the date of listing. The estimated grant date fair value of these options was \$87,768 using the Black-Scholes Option Pricing Model. The assumptions used to value the options included volatility of 120.66% a risk-free interest rate of 3.08% and a five-year term. As at August 31, 2023, the Company had recognized \$36,318 as share-based compensation. Total share-based compensation recognized as of May 31, 2024 is \$47,002.

On May 7, 2024, the Company approved the issuance of 750,000 stock options to IPO Agents Commission lists its shares on the Canadian Securities Exchange (“CSE”). Each stock option will be exercisable at \$0.10 per share for a period of five years from the date of listing. The estimated grant date fair value of these options was \$62,999 using the Black-Scholes Option Pricing Model. The assumptions used to value the options included volatility of 120.66% a risk-free interest rate of 4.08% and a five-year term. As at May 7, 2024, the Company had recognized \$26,069 as share-based compensation. Total share-based compensation recognized as of May 31, 2024 is \$26,069.

The changes in options during the period ended May 31, 2024 and August 31, 2023 are as follows:

	Period ended May 31, 2024		Year ended August 31, 2023	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Outstanding, beginning of	1,050,000	\$0.10	-	\$ -
Options granted	750,000	\$0.10	1,050,000	0.10
Outstanding, end of period	1,800,000	\$0.10	1,050,000	\$ 0.10
Exercisable, end of year	1,800,000	\$0.10	-	\$ -

As at May 31, 2024, the Company had the following options outstanding:

Grant date	Expiry date	Number of options	Exercise price
May 15, 2023	Five years from Listing Date	1,050,000	\$ 0.10
May 7, 2024	Five years from Listing Date	750,000	\$ 0.10

## 8. RELATED PARTY TRANSACTIONS

During the period ended May 31, 2024 and May 31, 2023, the Company was involved in the following related party transactions:

- Incurred management fees of \$7,500 (May 31, 2023 - \$45,000) and rent expenses, grouped in office and administration, of \$nil (May 31, 2023 - \$22,500) to the CEO and Director of the Company.
- Incurred consulting fees of \$7,500 (May 31, 2023 - \$18,000) to the CFO of the Company.
- As at May 31, 2024, \$15,000 (May 31, 2023 - \$54,500) was owing to the CFO of the Company and included in accounts payable and accrued liabilities. The amount is due on demand and non-interest bearing.
- As at May 31, 2024, \$343,297 (May 31, 2023 - \$800,224) was due to the CEO and Director of the Company

On September 1, 2023, and amended on March 1, 2024 the Company and the CEO entered into Amendment Agreements for the management fees and rent incurred of \$2,500 and \$nil for rent per month, respectively. Per the Amendment Agreements, the CEO has agreed that no amounts relating to these fees will be paid and no further amounts incurred until the Company’s shares have been listed on a Canadian stock exchange.

# CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)

Notes to the condensed consolidated interim financial statements

For the nine months ended May 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

---

On November 7, 2023, the Company entered into debt reorganization agreements with the CEO of the Company and a company controlled by the CEO, the “Debt Holders”, whereby the Debt Holders agreed to settle debt of \$450,000 through the issuance of 4,500,000 common shares of the Company, forgive debt of \$262,700 and issue a postponement of payment for \$213,852 until the date which is 13 months from the date that the Company’s common shares are listed and called for trading on the CSE. The Company issued these shares on November 7, 2023.

## 9. MANAGEMENT OF CAPITAL

The Company defines its capital as all components of shareholders’ equity. The Company’s objectives when managing capital are to safeguard its ability to continue as a going concern.

In order to maintain its capital structure, the Company, is dependent on equity funding and when necessary, raises capital through the issuance of equity instruments, primarily comprised of common shares. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will make changes to its capital structure as deemed appropriate under the specific circumstances.

The Company is not subject to any externally imposed capital requirements or debt covenants, and does not presently utilize any quantitative measures to monitor its capital. There were no changes to the Company’s approach to managing capital during the period.

## 10. FINANCIAL INSTRUMENTS AND RISKS

### *Fair Value*

As at May 31, 2024 the Company’s financial instruments consist of cash, marketable securities, accounts payable and due to related parties. The fair value of all financial instruments approximates their carrying values. Cash and marketable securities are classified as FVTPL. Accounts payable and due to related parties are classified as amortized cost.

The Company’s financial instruments are exposed to a number of risks that are summarized below:

### *Credit Risk*

Credit risk is the risk of loss associated with a counter party’s inability to fulfill its payment obligations. The Company’s credit risk is primarily attributable to its cash balances. The Company manages its credit risk on bank deposits by holding deposits in high credit quality banking institutions in Canada.

### *Liquidity Risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due or can do so only at excessive cost.

The Company’s approach to managing liquidity is to ensure that it will always have sufficient cash to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company’s reputation. To the extent that the Company does not believe it has sufficient liquidity to meet these obligations, management will consider securing additional funds through equity transactions. The Company manages its liquidity risk by continuously monitoring cash flow requirements relating to its anticipated exploration and evaluation activities as well as general overhead requirements. Liquidity risk is assessed as high.

### *Interest Rate Risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company does not have any cash or variable interest loans, management considers the interest rate risk to be minimal.

### *Foreign Exchange Risk*

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the foreign currency exchange rates. The Company’s functional currency is the Canadian dollar. All of the Company’s financial instruments are denominated in Canadian dollars. In management’s opinion there is no material foreign exchange risk to the Company.

# **CAMEO RESOURCES INC. (formerly ELMIRA CAPITAL INC.)**

Notes to the condensed consolidated interim financial statements

For the nine months ended May 31, 2024

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

---

## **11. SEGMENTED INFORMATION**

The Company operates in one reportable operating segment, being the acquisition, exploration and development of exploration and evaluation assets. The Company's exploration and evaluation asset is located in the USA.