WEDGEMOUNT RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

APRIL 30, 2023

(Expressed in Canadian Dollars)

(Unaudited)

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 an auditor has not reviewed the financial statements.

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

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

WEDGEMOUNT RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)
As at

		April 30, 2023		July 31, 2022
ASSETS				
Current				
Cash	$	62,332	$	220,459
Receivables (Note 5)		69,089		162,948
Prepaids and advances		50,301		17,200
		181,722		400,607
Exploration and evaluation assets (Note 6)		1,799		216,478
Property, plant and equipment (Note 7)		2,876,126		-
	$	3,059,647	$	617,085
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Notes 8 and 12)	$	450,075	$	82,025
Loans payable (Notes 9 and 12)		517,962		-
		968,037		82,025
Loans payable (Notes 9 and 12)		473,788		-
Decommissioning obligations (Note 10)		627,622		-
		2,069,447		82,025
SHAREHOLDERS' EQUITY				
Share capital (Note 11)		4,269,981		2,605,185
Reserves (Note 11)		452,716		489,956
Deficit		(3,732,497)		(2,560,081)
		990,200		535,060
	$	3,059,647	$	617,085

Nature of operations and going concern (Note 1)
Subsequent events (Note 17)

Approved on behalf of the Board of Directors by:

/s/ "Mark Vanry"
Mark Vanry, Director

/s/ "Richard Barth"
Richard Barth, Director

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

WEDGEMOUNT RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

	Three months ended April 30, 2023	Three months ended April 30, 2022	Nine months ended April 30, 2023	Nine months ended April 30, 2022
Revenue				
Oil and gas sales	$ 56,299	$ -	$ 56,299	$ -
Royalties	(9,844)	-	(9,844)	-
	46,455	-	46,455	-
Expenses				
Administrative	9,000	9,000	27,000	27,000
Consulting	62,346	20,000	118,168	45,583
Exploration evaluation expenditures (Note 6)	92	14,144	7,364	418,360
Filing and regulatory	8,144	8,196	26,362	22,938
Foreign exchange	9,681	-	24,582	-
Loan interest (Note 12)	62,445	-	62,445	-
Management fees (Note 12)	37,500	37,500	112,500	112,500
Marketing	9,947	10,407	14,604	176,072
Office and miscellaneous	10,933	5,383	29,547	20,193
Operating	369,018	-	369,018	-
Professional fees (Note 12)	32,778	12,104	66,528	42,756
Property investigation costs	151,995	-	229,117	-
Share-based payments (Notes 11 and 12)	78,153	50,969	175,565	269,594
Shareholder communication	3,225	607	6,027	4,314
Transfer agent	3,073	920	6,360	9,274
Travel	12,122	-	23,788	-
	(860,452)	(169,230)	(1,298,975)	(1,148,584)
Recognition of flow-through premium (Note 11)	-	-	-	24,614
Write-off of exploration and evaluation assets (Note 6)	-	-	(222,128)	-
	-	-	(222,128)	24,614
Loss and comprehensive loss for the period	$ (813,997)	$ (169,230)	$ (1,474,648)	$ (1,123,970)
Loss per common share – basic and diluted	$ (0.03)	$ (0.01)	$ (0.05)	$ (0.05)
Weighted average number of common shares outstanding – basic and diluted	31,934,821	24,846,536	27,975,510	24,561,737

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

WEDGEMOUNT RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

	Share Capital				
	Number of shares	Amount	Reserves	Deficit	Total
July 31, 2021	24,296,536	$ 2,428,185	$ 203,184	$ (896,895)	$ 1,734,474
Issuance of common shares pursuant to exploration and evaluation assets option agreements	550,000	107,000	-	-	107,000
Share-based payments	-	-	269,594	-	269,594
Loss for the period	-	-	-	(1,123,970)	(1,123,970)
April 30, 2022	24,846,536	$ 2,535,185	$ 472,778	$ (2,020,865)	$ 987,098
July 31, 2022	25,246,536	$ 2,605,185	$ 489,956	$ (2,560,081)	$ 535,060
Issuance of common shares (Note 11)	7,941,281	1,415,986	43,607	-	1,459,593
Share issue costs	-	(65,152)	23,742	-	(41,410)
Warrants exercised (Note 11)	2,966,000	296,600	-	-	296,600
Warrants issued for loans payable (Note 9)	-	-	39,440	-	39,440
Options cancelled	-	-	(302,232)	302,232	-
Warrants expired	-	17,362	(17,362)	-	-
Share-based payments (Note 11)	-	-	175,565	-	175,565
Loss for the period	-	-	-	(1,474,648)	(1,474,648)
April 30, 2023	36,153,817	$ 4,269,981	$ 452,716	$ (3,732,497)	$ 990,200

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

WEDGEMOUNT RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

		Nine months ended April 30, 2023		Nine months ended April 30 2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the period	$	(1,474,648)	$	(1,123,970)
Adjust for items not involving cash:				
Share-based payments		175,565		269,594
Foreign exchange		3,700		-
Warrants issued for loans payable		39,440		-
Write-off of exploration and evaluation assets		222,128		-
Recognition of flow-through share premium		-		(24,614)
Change in non-cash working capital items:				
Receivables		93,859		5,391
Prepaids and advances		(33,101)		96,909
Accounts payable and accrued liabilities		368,050		(275,459)
Net cash used in operating activities		(605,007)		(1,052,149)
CASH FLOWS FROM INVESTING ACTIVITIES				
Acquisition of exploration and evaluation assets		(7,449)		(25,000)
Acquisition of property, plant and equipment		(2,245,454)		-
Net cash used in investing activities		(2,252,903)		(25,000)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from issuance of share capital		1,459,593		-
Share issue costs		(41,410)		-
Warrants exercised		296,600		-
Proceeds from loans payable		985,000		-
Net cash provided by financing activities		2,699,783		-
Change in cash		(158,157)		(1,077,149)
Cash, beginning of period		220,459		1,467,106
Cash, end of period	$	62,322	$	389,957

Supplemental cash flow information (Note 13)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Wedgemount Resources Corp. (the "Company") was incorporated on August 27, 2020 under the Business Corporations Act of British Columbia. The Company is engaged in the exploration for and the development of petroleum and natural gas in the U.S.A. and in the acquisition, exploration and advancing of exploration and evaluation assets in Canada. The Company's head office and registered and records office address is 40440 Thunderbird Ridge B1831, Garibaldi Highlands, BC, V0N 1T0. The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol WDGY.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The Company's continuation as a going concern is dependent upon the successful results from its business activities, its ability to obtain profitable operations and generate funds, and/or complete financings sufficient to meet current and future obligations. As at April 30, 2023, the Company had a net loss of $1,474,648 for the nine months then ended, an accumulated deficit of $3,732,497, and expects to incur further losses in the exploration of its properties, all of which casts significant doubt about the Company's ability to continue as a going concern. Although the Company raised capital in current and prior periods and subsequent to period end (Note 17) through private placements of its common shares, management estimates additional funding will be required to further operations in the upcoming twelve months and additional capital may not be available on acceptable terms or at all.

In February 2022, Russia invaded Ukraine. This has created global supply chain issues, market instability and volatility, and increased inflation. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak nor the Russian invasion and their effects on the Company's business or results of operations or its ability to raise funds.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee. They do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements, and, therefore, should be read in conjunction with the Company's audited consolidated financial statements for the year ended July 31, 2022, prepared in accordance with IFRS as issued by the IASB.

2. BASIS OF PRESENTATION (cont'd…)

Approval of the consolidated financial statements

These condensed interim consolidated financial statements were authorized by the Board of Directors of the Company on June 29, 2023.

Basis of presentation

These condensed interim consolidated financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for cash flow information and certain financial assets that are measured at fair value.

Functional and presentation currency

These condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company and its subsidiaries.

Principles of consolidation

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. Subsidiaries are entities which the Company controls, either directly or indirectly, where control is defined as the power to govern an entity's financial and operating policies and generally accompanies a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that may arise upon the exercise or conversion of non-voting securities are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and they are deconsolidated from the date on which control ceases. All inter-company transactions and balances have been eliminated upon consolidation.

Name of subsidiary	Country of incorporation	Percentage of ownership	Principal activity
1265459 B.C. Ltd.	Canada	100%	Holding company
Wedgemount Texas Corp. ("WTC")	U.S.A.	100%	Exploration in U.S.A.

Significant estimates

The preparation of these condensed interim consolidated financial statements requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial period and are, but are not limited to, the following:

2. BASIS OF PRESENTATION (cont'd…)

Significant estimates (cont'd…)

Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized in the condensed interim consolidated statements of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the condensed interim consolidated statement of financial position could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods. The Company has not recorded any deferred tax assets.

Valuation of share-based payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings (loss) and equity reserves.

Accounting for acquisitions

The determination of fair value of assets acquired and liabilities assumed as of the acquisition date requires management to make certain estimates about future events, including, but not restricted to, fair value of assets including acquired oil and gas reserves and resources, exploration potential, decommissioning obligations, future operating costs and capital expenditures, future oil and gas prices, long-term foreign exchange rates and discount rates as well as the determination of fair value of consideration provided. The estimated acquisition-date fair value of property, plant and equipment ("PP&E"), including oil and gas properties, decommissioning obligations, and exploration and evaluation ("E&E") assets acquired generally require the most judgement. The determination of the estimated acquisition-date fair value of oil and gas properties involves significant estimates, including proved and probable oil and gas reserves and discount rates. The estimate of proved and probable reserves includes significant assumptions related to forecasted oil and gas commodity prices, forecasted production volumes, forecasted operating costs, forecasted royalty costs and forecasted future development costs.

Cash Generating Units ("CGU's")

The Company's oil and gas properties are aggregated into cash-generating units ("CGU's"), based on the identifiable, independent group of assets ability to generate independent cash inflows. The determination of the Company's CGUs is based on management's judgments in regards to shared infrastructure, geographical proximity, resource type, similar exposure to market risk, and materiality.

2. BASIS OF PRESENTATION (cont'd…)

Significant estimates (cont'd…)

Reserves

Estimating proved and probable oil and gas reserves requires significant judgment based on geological and geophysical engineering and economic data, such as forecasted production volumes, forecasted oil and gas commodity prices, forecasted operating costs, forecasted royalty costs and forecasted future development costs. Estimated changes in expected future cash flows in reported reserves can impact the impairment of assets, decommissioning obligations, the economic feasibility of exploration and evaluation assets and depletion and depreciation of property, plant, and equipment. As information becomes available, these estimates may change which could have a material impact on earnings.

Decommissioning obligations

The Company's decommissioning obligations for its operations are based on current legal requirements and expected plans for remediation. The actual costs and cash outflows may differ from these estimates due to changes in laws and regulations, site conditions, cleanup requirements, prices, and future removal technologies. In most circumstances, the retirement and remediation of the Company's assets occurs many years into the future. The amounts recorded for these decommissioning obligations and the related accretion expense require the use of estimates with respect to the amount and timing of the related cashflows, future environmental and regulatory legislation, as well as the credit-adjusted risk-free rate applied.

Significant judgments

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in these condensed interim consolidated financial statements are, but are not limited to, the following:

Carrying value and the recoverability of exploration and evaluation assets

Management makes estimates and applies judgment about future events and circumstances in determining whether the carrying amount of a mineral property exceeds its recoverable amount. Management has determined that expenditures incurred on exploration and evaluation assets which were capitalized may have future economic benefits and may be economically recoverable. Management reviews the carrying values of its mineral properties on an annual basis, or when an impairment indicator exists, to determine whether an impairment should be recognized. In making its assessment, management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, scoping and feasibility studies, accessibility of facilities, and existing permits.

Title to exploration and evaluation assets

Although the Company takes steps to verify title to exploration and evaluation assets in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

2. BASIS OF PRESENTATION (cont'd…)

Significant judgments (cont'd…)

Business combinations

Transactions are assessed against the criteria in IFRS 3 Business Combinations ("IFRS 3") to assess whether they constitute a business combination or an asset acquisition. Determination of whether a set of assets acquired, and liabilities assumed, constitute a business may require the Company to make certain judgments, taking into account all facts and circumstances. A business is presumed to be an integrated set of activities and assets capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or economic benefits.

Property, plant and equipment

Oil and gas properties included in PP&E are depleted using the unit-of-production method based on estimated proved and probable oil and gas reserves determined using a number of significant assumptions, such as forecasted oil and gas commodity prices, forecasted production volumes, forecasted operating costs, forecasted royalty costs and forecasted future development costs.

Impairment of property, plant and equipment

Judgments are required to assess when internal or external indicators of impairment, or indicators of impairment reversal, exist and impairment testing is required. In determining the recoverable amount of PP&E, which includes oil and gas properties, impairment tests are based on estimates of proved and probable oil and gas reserves which are based upon a number of significant assumptions, such as forecasted production volumes, forecasted oil and gas commodity prices, forecasted operating costs, forecasted royalty costs and forecasted future development costs. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Financial instruments

Management uses its judgement to determine the category in which a financial asset or a financial liability is recorded.

Going concern

The Company has exercised judgment in determining whether its available funds are sufficient to continue operations for 12 months from the end of the reporting period.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim consolidated financial statements were prepared using the same accounting policies and methods of computation as in the Company's consolidated financial statements for the year ended July 31, 2022, except as noted below.

Business combinations

Business combinations are accounted for using the acquisition method. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the acquisition date. The excess of the cost of the acquisition over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recorded as goodwill. If the cost of the acquisition is less than the fair value of the net assets acquired, the difference is recognized immediately in net income or loss. Transaction costs are expensed as incurred.

An optional concentration test permits a simplified assessment of whether an acquired set of activities and assets is in fact a business. An entity may elect to apply, or not apply, the test. An entity may make such an election separately for each transaction or other event. If the concentration test is met, the set of activities and assets is determined not to be a business and no further assessment is needed.

Property, plant and equipment

Property, plant and equipment, which include oil and gas properties are recorded at cost less accumulated depletion, depreciation, amortization and accumulated impairment losses, net of recovered impairment losses. These assets include all costs associated with the development and production of proved and probable oil and gas reserves. Costs may include proved property acquisitions, development drilling, completion, gathering and infrastructure, geological and geophysical, decommissioning costs, amounts transferred from E&E assets and directly attributable internal costs. Expenditures to renew or improve the productive capacity or extend the life of an asset are capitalized. Maintenance and repairs are expensed as incurred.

Any gains or losses from the divestiture of oil and gas properties are recognized in profit or loss. Accumulated costs are depleted using the unit of production method based on estimated proved and probable oil and gas reserves. Costs subject to depletion include estimate of forecasted future development costs to be incurred in developing proved and probable oil and gas reserves and exclude residual amounts. Depletion is calculated on a CGU basis.

Depletion, depreciation and amortization

The net carrying value of the oil and gas properties is depleted using the unit-of-production method based on period production relative to the estimated proved and probable oil and gas reserves, taking into account estimated forecasted future development costs necessary to bring those reserves into production. Changes in estimates used in prior periods, such as proved and probable oil and gas reserves, that affect the unitof-production calculations are dealt with on a prospective basis.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Impairment

The carrying amounts of the Company's property, plant and equipment are reviewed at each reporting date for indicators of impairment. If any such indication exists, the recoverable amount of the CGU is estimated to determine the amount of the impairment, if any. The recoverable amount of an asset is evaluated at the CGU level. The recoverable amount of a CGU is the greater of its fair value less costs to sell and its value in use. Fair value less cost to sell is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties, less the costs of disposal. In assessing value in use, the estimated future cash flows from proved and probable oil and gas reserves are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized in profit or loss for the period to the extent that the carrying amount of the CGU or asset exceeds the recoverable amount. Impairment losses recognized in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimate used to determine the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the CGU or asset does not exceed the carrying amount that would have been determined, net of depletion and amortization, had no impairment loss been recognized for the CGU or asset. A reversal of an impairment loss is recognized immediately in profit or loss.

Decommissioning obligations

The Company is subject to various government laws and regulations relating to environmental disturbances caused by the Company's development activities. The Company records the present value of the estimated legal obligations required to restore sites in the period in which the obligation is expected to be incurred. The nature of decommissioning liabilities includes restoration, reclamation, and revegetation of the affected sites. Decommissioning obligations generally arises when the environmental disturbance, subject to government laws and regulations, requires remediation. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related petroleum and natural gas assets. Over time, the discounted liability is increased for changes in the present value based on current market discount rates and liability specific risks. Additional environmental disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and decommissioning obligation in the period in which they occur.

Revenue

Revenue from the sale of oil and gas is measured based on the consideration specified in contracts with marketers and other third parties. The Company recognizes revenue when it transfers control of the product to the contract customer and it is probable that the Company will collect the consideration to which it is entitled. In making this evaluation, management considers if the Company has the ability to direct the use of, and obtain substantially all of the remaining benefits from the delivery of the product.

(Expressed in Canadian Dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

New standards, interpretations and amendments to existing standards not yet effective

A number of new standards and amendments to standards and interpretations have been issued by the IASB and are effective for annual periods beginning on or after August 1, 2022. These have not been applied in preparing these condensed interim consolidated financial statements. There are no IFRSs or IFRS Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on these condensed interim consolidated financial statements.

4. OIL AND GAS ACQUISITIONS

Millican

On March 20, 2023, the Company completed the acquisition of a 100% working interest in oil and gas assets ("Millican"), located in the Permian Basin of west central Texas. The acquisition of Millican was completed for total cash consideration of USD $160,000 ($219,086). The Company applied the optional IFRS 3 concentration test to this acquisition which resulted in the acquired assets being accounted for as an asset acquisition. Fair value of consideration paid is allocated to assets and liabilities acquired.

The fair value assigned to the identified assets acquired and liabilities assumed are presented below:

Cost of acquisition:		
Cash consideration	$	219,086
	$	**219,086**
Allocated as follows:		
Oil and gas properties	$	440,888
Decommissioning obligations		(221,802)
	$	**219,086**

(Expressed in Canadian Dollars)

4. OIL AND GAS ACQUISITIONS (cont'd…)

Willowbend

On March 31, 2023, the Company completed the acquisition of a 100% working interest in oil and gas assets ("Willowbend"), located in the Permian Basin of west Texas. The acquisition of Willowbend was completed for total cash consideration of USD $1,500,000 ($2,029,418). The Company applied the optional IFRS 3 concentration test to this acquisition which resulted in the acquired assets being accounted for as an asset acquisition. Fair value of consideration paid is allocated to assets and liabilities acquired.

The fair value assigned to the identified assets acquired and liabilities assumed are presented below:

Cost of acquisition:		
Cash consideration	$	2,029,418
	$	**2,029,418**
Allocated as follows:		
Oil and gas properties	$	2,435,238
Decommissioning obligations		(405,820)
	$	**2,029,418**

5. RECEIVABLES

		April 30, 2023		July 31, 2022
Trade receivables	$	46,554	$	-
GST receivable		22,535		46,916
British Columbia Mining Tax Credit ("BCMETC")		-		86,532
Reclamation deposit		-		29,500
	$	69,089	$	162,948

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

Property	Eagle	Cookie	Friendly	Total
July 31, 2021	$ 53,000	$ 157,478	$ 180,000	$ 390,478
Cash	25,000	10,000	-	35,000
Share issuances	68,000	49,000	60,000	177,000
Write-off of exploration and evaluation assets	(146,000)	-	(240,000)	(386,000)
July 31, 2022	-	216,478	-	216,478
Cash	-	7,449	-	7,449
Write-off of exploration and evaluation assets	-	(222,128)	-	(222,128)
April 30, 2023	$ -	$ 1,799	$ -	$ 1,799

Eagle property

On September 23, 2020, subsequently amended on December 9, 2021, the Company entered into an option agreement (the “Eagle Agreement”) with ArcWest Exploration Inc. (“ArcWest”) to acquire an initial 60% percent interest (“First Option”) in and to certain mineral claims located in northern British Columbia which are collectively known and described as the Eagle Property (“Eagle”).

To acquire Eagle, the Company must make cash payments totaling $110,000, fund a total of $2,050,000 in exploration expenditures, and issue a total of 1,350,000 common shares by December 31, 2024.

In fiscal 2022, the Company wrote off the carrying value of $146,000 on the Eagle property.

Cookie property

On May 26, 2021, subsequently amended on August 30, 2021 and June 27, 2022, the Company entered into an option agreement (the “Cookie Agreement”) with DL Cooke & Associates Ltd. (“DL Cooke”) to acquire a 100% percent interest in and to certain mineral claims located in the southern Toodoggone copper belt of north-central British Columbia which are collectively known and described as the Cookie property (“Cookie”).

To acquire Cookie, the Company must make cash payments totaling $210,000, fund a total of $1,075,000 in exploration expenditures, and issue a total of 1,900,000 common shares by May 26, 2026.

During the nine months ended April 30, 2023 and in fiscal 2021, the Company acquired additional contiguous claims by staking.

During the nine months ended April 30, 2023, the Company wrote off a carrying value of $222,128 on the Cookie property, related to the Cookie Agreement. The write off also includes lapsed claims and claims included in the area of interest, which were transferred to DL Cooke. Certain claims were kept by the Company.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Friendly property

On May 27, 2021, the Company entered into an option agreement (the "Friendly Agreement") with Electrum Resource Corporation ("Electrum") to acquire a 100% percent interest in and to certain mineral claims located in south-central British Columbia which are collectively known and described as the Friendly Lake-Deer Lake copper-gold property ("Friendly").

To acquire Friendly, the Company must make cash payments totaling $775,000, fund a total of $6,750,000 in exploration expenditures, and issue a total of 5,000,000 common shares by May 27, 2026.

In fiscal 2022, the Company wrote off the carrying value of $240,000 on the Friendly property.

Exploration and evaluation expenditures

Exploration and evaluation expenditures for the nine months ended April 30, 2023 are as follows:

Property	Eagle	Cookie	Friendly	Total
Equipment and supplies	$ -	$ 1,967	$ -	$ 1,967
Geology	575	546	4,276	5,397
	$ 575	$ 2,513	$ 4,276	$ 7,364

Exploration and evaluation expenditures for the nine months ended April 30, 2022 are as follows:

Property	Eagle	Cookie	Friendly	Total
Accommodation and transportation	$ 70,986	$ 6,843	$ 10,537	$ 88,366
Assay	2,568	22,501	-	25,069
Equipment and supplies	11,289	3,097	4,138	18,524
Geology	29,754	37,474	91,011	158,239
Geophysics	123,050	-	-	123,050
Logistics and support	-	5,112	-	5,112
	$ 237,647	$ 75,027	$ 105,686	$ 418,360

(Expressed in Canadian Dollars)

7. PROPERTY, PLANT AND EQUIPMENT

		Oil and gas properties		Total
Cost				
July 31, 2021 and July 31, 2022	$	-	$	-
Additions (Note 4)		2,876,126		2,876,126
April 30, 2023	$	2,876,126	$	2,876,126
Accumulated depletion				
July 31, 2021 and July 31, 2022	$	-	$	-
Depletion		-		-
April 30, 2023	$	-	$	-
Net Book Value				
July 31, 2022	$	-	$	-
April 30, 2023	$	2,876,126	$	2,876,126

Oil and gas properties

Millican

During the nine months ended April 30, 2023, the Company completed the acquisition of Millican (Note 4). In connection with the acquisition, the Company acquired certain leases, producing wells, and surface facilities of $440,888. Millican is subject to a 19% underlying royalty.

Willowbend

During the nine months ended April 30, 2023, the Company completed the acquisition of Willowbend (Note 4). In connection with the acquisition, the Company acquired certain leases, producing wells, and surface facilities of $2,435,238. Willowbend is subject to a 19% underlying royalty.

(Expressed in Canadian Dollars)

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		April 30, 2023		July 31, 2022
Accounts payable	$	379,996	$	61,025
Accrued liabilities		70,079		21,000
	$	450,075	$	82,025

9. LOANS PAYABLE

During the nine months ended April 30, 2023, the Company entered into a loan agreement with the President, under which USD $400,000 was loaned (the "Vanry Loan"). The Vanry Loan bears interest at a rate of 15% per annum, payable monthly for the first 22 months and thereafter at the rate of 18% per annum. The Company will make payments on account of principal on the Vanry Loan commencing June 30, 2023 at the rate of USD $20,000 per month plus an amount equal to 25% of net cash flows over USD $200,000. The Vanry Loan matures, and all outstanding principal shall be payable, on February 28, 2025. The Company may repay the Vanry Loan at any time without penalty. The Vanry Loan is secured by a pledge of the shares of WTC and a general security interest over the assets of WTC. Additionally, the Company, as further compensation, issued 275,000 warrants to the President. Each warrant is exercisable at a price of $0.30 until February 21, 2026. The warrants were valued at $39,440, calculated using the Black-Scholes option pricing model assuming a life expectancy of three years, a risk-free interest rate of 3.96%, a dividend rate of nil%, a forfeiture rate of nil%, and volatility of 134%. As at April 30, 2023, the Vanry Loan has a current liability of $297,962 and a long-term liability of $243,788. During the nine months ended April 30, 2023, the Company accrued interest of $16,471 (2022 - $nil), recorded in interest on loans.

During the nine months ended April 30, 2023, the Company also entered into a loan agreement with an arm's length individual, under which $450,000 was loaned (the "Loan"). The Loan bears interest at a rate of 15% per annum, payable monthly for the first 22 months and thereafter at the rate of 18% per annum. The Company will make payments on account of principal on the Loan commencing June 30, 2023 at the rate of $20,000 per month plus an amount equal to 25% of net cash flows over USD $200,000. The Loan matures, and all outstanding principal shall be payable, on February 28, 2025. The Company may repay the Loan at any time without penalty. The Loan is guaranteed by a general security interest over the assets of WTC. As at April 30, 2023, the Loan has a current liability of $220,000 and a long-term liability of $230,000. During the nine months ended April 30, 2023, the Company accrued interest of $6,534 (2022 - $nil), recorded in interest on loans.

10. DECOMMISSIONING OBLIGATIONS

The decommissioning obligations represent costs to reclaim and abandon the wells and facilities on the Company's oil and gas properties (Note 7). The obligation is recognized based on the estimated future reclamation costs of USD $490,190 which has been inflated using an inflation rate of 3.0% and then discounted a risk-free discount rate of 3.47% with an estimated timeline to abandoned between 5 and 39 years. As at April 30, 2023, the Company had decommissioning obligations of $627,622 (July 31, 2022 - $nil).

11. SHARE CAPITAL

Authorized share capital

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

Issued share capital

During the nine months ended April 30, 2023, the Company issued:

a) 3,652,500 units at a price of $0.20 per unit by way of a non-brokered private placement, for total proceeds of $730,500. Each unit was comprised of one common share and one common share purchase warrant, with each full warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per common share until December 21, 2024. The 3,652,600 warrants were valued at $36,525, calculated using the residual value method. The Company paid a total of $14,350 in cash for fees and issued 71,750 finders' warrants. Each finder's warrant entitles the holder to purchase one common share at a price of $0.30 per common share until December 21, 2024. The finders' warrants were valued at $8,376, calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk-free interest rate of 3.72%, a dividend rate of nil%, a forfeiture rate of nil% and volatility of 140%;
b) issued 3,580,557 units at a price of $0.17 per unit by way of a non-brokered private placement, for total proceeds of $608,695. Each unit was comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per common share until March 24, 2025. The 3,580,557 warrants were valued at $nil, calculated using the residual value method. The Company paid a total of $26,709 in cash for fees and other share issue costs and issued 146,487 finder's warrants. Each finder's warrant entitles the holder to purchase one common share at a price of $0.30 per common share until March 24, 2025. The finder's warrants were valued at $15,186, calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk-free interest rate of 3.42%, a dividend rate of nil%, a forfeiture rate of nil% and volatility of 134%; and
c) issued 708,224 units at a price of $0.17 per unit by way of a non-brokered private placement, for total proceeds of $120,398. Each unit was comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per common share until April 20, 2025. The 708,224 warrants were valued at $7,082, calculated using the residual value method. The Company paid a total of $350 in cash for fees and issued 2,058 finder's warrants. Each finder's warrant entitles the holder to purchase one common share at a price of $0.30 per common share until April 20, 2025. The finder's warrants were valued at $181, calculated using the Black-Scholes option pricing model assuming a life expectancy of two years, a risk-free interest rate of 3.79%, a dividend rate of nil%, a forfeiture rate of nil% and volatility of 132%.

During the nine months ended April 30, 2022, the Company issued:

a) 400,000 common shares, valued at $68,000, pursuant to the Eagle option agreement (Note 4); and
b) 150,000 common shares, valued at $39,000, pursuant to the Cookie option agreement (Note 4).

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (cont'd…)

Escrow shares

On January 12, 2021, the Company entered into an escrow agreement pursuant to which 1,125,000 common shares have been placed in escrow and are subject to release in tranches over time in accordance with the policies of the Canadian Securities Administrators. The escrow agreement provides that 10% of the escrowed shares will be released from escrow upon the original CSE listing date and that an additional 15% will be released therefrom every six-month interval thereafter, over a period of 36 months. As at April 30, 2023, there are 506,250 (July 31, 2022 - 675,000) shares held in escrow.

Flow-through share premium

		Total
July 31, 2021	$	24,614
Recognition of flow-through share premium		(24,614)
July 31, 2022 and April 30, 2023	$	-

Stock options

The Company has a rolling stock option plan under which the Board of Directors ("Board") may, from time to time in its discretion, grant options to acquire common shares of the Company to its directors, officers, employees, consultants, and advisors. The number of shares reserved for issuance under the plan may not exceed 10% of the number of issued and outstanding common shares of the Company. The exercise price of each option is determined by the Board but shall not be less than the market price of the Company's shares on the date prior to the date of grant less any discounts permitted by the CSE under its policies. The options may be granted for a maximum term of 10 years and are subject to such vesting provisions as may be determined by the Board.

During the nine months ended April 30, 2023, the Company granted 2,000,000 (April 30, 2022 - 400,000), and recorded share-based payments of $175,565 (April 30, 2022 - $269,594).

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (cont'd…)

Options (cont'd…)

The weighted average fair value of stock options granted during the nine months ended April 30, 2023 was $0.19 (April 30, 2022 - $0. 14 per option). The fair value was calculated using the Black-Scholes option pricing model using the following assumptions:

	Nine months ended April 30, 2023	Nine months ended April 30, 2022
Risk-free interest rate	3.20%	1.34%
Volatility	138%	116%
Expected life	5 years	5 years
Expected dividend yield	-	-
Expected forfeiture rate	-	-

During the nine months ended April 30, 2023, 800,000 (April 30, 2022 - nil) stock options were cancelled; accordingly, fair value associated with the options of $302,232 (April 30, 2022 - $nil) was reclassified from reserves to deficit.

Option transactions are summarized as follows:

	Number of options		Weighted average exercise price
Balance as at July 31, 2021	1,325,000	$	0.36
Granted	400,000		0.17
Balance as at July 31, 2022	1,725,000		0.32
Granted	2,000,000		0.20
Cancelled	(800,000)		0.45
Balance as at April 30, 2023	2,925,000	$	0.20

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (cont'd…)

Options (cont'd…)

As at April 30, 2023, the Company had outstanding options enabling the holders to acquire common shares as follows:

Number of options	Number of exercisable options		Exercise price	Weighted average remaining life (years)	Expiry date
325,000	325,000	$	0.10	2.65	December 23, 2025
200,000	200,000	$	0.45	3.07	May 25, 2026
400,000	400,000	$	0.165	3.60	December 3, 2026
375,000	93,750	$	0.23	4.55	November 14, 2027
1,050,000	250,000	$	0.21	4.69	January 5, 2028
100,000	100,000	$	0.17	4.94	April 5, 2028
475,000	-	$	0.17	4.99	April 25, 2028
2,925,000	1,368,750			4.24	

Warrants

During the nine months ended April 30, 2023, 60,480 (April 30, 2022 - nil) warrants expired; accordingly, fair value associated with the warrants of $17,362 (April 30, 2022 - $nil) was reclassified from reserves to share capital.

Warrant transactions are summarized as follows:

	Number of warrants		Weighted average exercise price
Balance as at July 31, 2021 and July 31, 2022	14,653,747	$	0.16
Issued	8,436,576		0.30
Exercised	(2,966,000)		0.10
Expired	(60,480)		0.70
Balance as at April 30, 2023	20,063,843	$	0.22

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (cont'd…)

Warrants (cont'd…)

As at April 30, 2023, the Company had outstanding warrants enabling the holders to acquire common shares as follows:

Number of warrants		Exercise price	Weighted average remaining life (years)	Expiry date
420,000	$	0.10	0.05	May 20, 2023[1]
3,349,999	$	0.10	0.36	September 10, 2023
6,534,000	$	0.10	0.39	September 21, 2023
1,176,000	$	0.70	0.70	January 9, 2024
147,268	$	0.85	0.70	January 9, 2024
3,724,250	$	0.30	1.65	December 21, 2024
3,727,044	$	0.30	1.90	March 24, 2025
710,282	$	0.30	1.98	April 20, 2025
275,000	$	0.30	2.82	February 21, 2026
20,063,843			1.00	

[1] exercised subsequent to period end (Note 17)

Escrow warrants

On January 12, 2021, the Company entered into an escrow agreement pursuant to which 699,999 warrants have been placed in escrow and are subject to release in tranches over time in accordance with the policies of the Canadian Securities Administrators. The escrow agreement provides that 10% of the escrowed warrants will be released from escrow upon the original CSE listing date and that an additional 15% will be released therefrom every six-month interval thereafter, over a period of 36 months. As at April 30, 2023, there are 314,999 (July 31, 2022 - 419,999) warrants held in escrow.

(Expressed in Canadian Dollars)

12. RELATED PARTY DISCLOSURES

The Company considers key management personnel to consist of its directors and officers. The following expenses were incurred in transactions with key management personnel:

		Nine months ended April 30, 2023		Nine months ended April 30, 2022
Management fees	$	112,500	$	112,500
Professional fees		27,000		27,000
Share-based payments		58,281		201,714
	$	197,781	$	341,214

During the nine months ended April 30, 2023, the Company entered into a loan agreement with its President (Note 9). During the nine months ended April 30, 2023, the President advanced USD $400,000 ($535,000) (2022 - $nil). 275,000 warrants, valued at $39,440, were issued to the President as compensation for the loan. During the nine months ended April 30, 2023, interest accrued was $16,471 (April 30, 2022 - $nil).

As at April 30, 2023, included in accounts payable and accrued liabilities was $169,699 (July 31, 2022 - $53,808) owing to a director, a corporation controlled by a director, and an officer.

The Company has a management services agreement with its President which provides that in the event the President's services are terminated without cause or upon a change of control of the Company, a termination payment of an amount equal to 200% of the current annual compensation plus an amount equal to two times the average of the cash discretionary bonuses paid for the two most recently completed years will be payable.

13. SUPPLEMENTAL CASH FLOW INFORMATION

The significant non-cash financing and investing activities are as follows:

		Nine months ended April 30, 2023		Nine months ended April 30, 2022
Residual value of warrants issued in private placement	$	43,607	$	-
Fair value of agents’ warrants	$	23,742	$	-
Reclassification of reserves to deficit on cancellation of options	$	302,232	$	-
Reclassification of reserves to share capital on expiry of warrants	$	17,362	$	-
Decommissioning obligations acquired on acquisitions	$	627,622	$	-
Common shares issued for exploration and evaluation assets	$	-	$	107,000

14. SEGMENTED INFORMATION

The Company has an operating segment of oil and gas production; all property, plant, and equipment relates to this and is located in the U.S.A. The Company also has an operating segment of the acquisition and exploration of exploration and evaluation assets; these are located in Canada.

15. FINANCIAL INSTRUMENT RISK

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. As at April 30, 2023, the Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to its liquid financial assets, being cash and receivables. The Company's primary bank accounts are held with a major Canadian bank and funds are transferred to the subsidiary's foreign bank account as required to cover current expenditures, minimizing the risk to the Company. Receivables are due from a government agency and from oil and gas marketers. The Company's policy to mitigate credit risk going forward is to maintain marketing relationships with established and reputable purchasers that are considered to be creditworthy.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is through regular monitoring of cash requirements. When necessary, the Company obtains financing from various investors to ensure all future obligations are fulfilled. The Company does not have sufficient cash as at April 30, 2023 to settle its current liabilities as they come due and additional funds are required to continue current operations for the upcoming twelve months (Note 1).

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of market price changes:

Foreign currency exchange risk

This risk relates to any changes in foreign currencies in which the Company transacts. The Company is exposed to foreign currency risk on fluctuations related to cash, accounts payables and accrued liabilities, and loans that are denominated in United States Dollars. The effect of a 10% change in foreign exchange rates would be approximately $74,000 for the nine months ended April 30, 2023.

15. FINANCIAL INSTRUMENT RISK (cont'd…)

Market risk (cont'd…)

Interest rate risk

This risk relates to the change in the borrowing rates of the Company. The Company is not exposed to interest rate risk as it does not have any significant financial instruments with interest rates, with the exception of cash. Interest earned on cash is based on prevailing bank account interest rates, which may fluctuate. A 1% change in interest rates would result in a nominal difference for the nine months ended April 30, 2023.

Price risk

This risk relates to fluctuations in commodity and equity prices. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

The Company does not currently use financial instruments designed to hedge these market risks.

Fair value hierarchy

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1

Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2

Pricing inputs are other than quoted prices in active markets included in level 1. Prices in level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3

Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The fair value of cash, receivables, and accounts payable and accrued liabilities approximates their carrying values because of the short-term nature of these instruments.

16. CAPITAL MANAGEMENT

The Company defines capital as cash, debt, and the components of shareholders' equity. The Company's objectives when managing capital are to identify, pursue, and complete the exploration and development of its exploration and evaluation assets, to maintain financial strength, to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness, and to maximize returns for shareholders over the long term. The Company manages its capital in a manner consistent with the risk characteristics of the assets it holds. All financings, including equity and debt, are analyzed by management and approved by the Board of Directors. The Company does not have any externally imposed capital requirements. There have been no significant changes in the Company's objectives, policies, and processes for managing its capital during the nine months ended April 30, 2023.

17. SUBSEQUENT EVENTS

Subsequent to April 30, 2023, the Company:

a) issued 5,375,000 units at a price of $0.17 per unit by way of a non-brokered private placement, for total proceeds of $913,750. Each unit was comprised of one common share and one common share purchase warrant, with each warrant entitling the holder to acquire one additional common share of the Company at a price of $0.30 per common share until May 19, 2025. The Company paid a total of $36,652 in cash for fees and issued 215,600 finder's warrants. Each finder's warrant entitles the holder to purchase one common share at a price of $0.30 per common share until May 19, 2025;
b) issued 8,395,000 common shares pursuant to the exercise of warrants for proceeds of $839,500; and
c) approved a new share incentive plan that will include stock options, restricted share units, and performance share units. The new plan would replace the current stock option plan.