

GREAT REPUBLIC MINING CORP.

(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS

September 30, 2022

(Canadian dollars)

NOTICE OF NO REVIEW BY AUDITOR

In accordance with National Instrument 51 – 102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators **WE HEREBY GIVE NOTICE THAT** the interim financial statements which follow this notice have not been reviewed by an auditor.

Great Republic Mining Corp.

Condensed Interim Statements of Financial Position

(Canadian dollars)

(Unaudited)

As at

| | September 30, 2022 | June 30, 2022 |
|---|-----------------------|------------------|
| ASSETS | | |
| Current | | |
| Cash | \$ 489,905 | \$ 548,563 |
| Accounts receivable | 9,357 | - |
| | 499,262 | 548,563 |
| Exploration and evaluation asset (Note 4) | 99,386 | 99,386 |
| Total Assets | \$ 598,648 | \$ 647,949 |
| LIABILITIES | | |
| Current | | |
| Trade payables and accrued liabilities | \$ 20,078 | \$ 33,567 |
| SHAREHOLDERS' EQUITY | | |
| Share capital (Note 5) | 710,001 | 702,622 |
| Contributed surplus | 34,622 | 34,622 |
| Accumulated deficit | (166,053) | (122,862) |
| | 578,570 | 614,382 |
| Total Shareholder's Equity and Liabilities | \$ 598,648 | \$ 647,949 |

Nature of operations (Note 1)

ON BEHALF OF THE BOARD:

"F.W. Davidson" _____, Director

"J. Huang" _____, Director

-The accompanying notes form an integral part of these condensed interim financial statements-

Great Republic Mining Corp.

Condensed Interim Statement of Loss and Comprehensive Loss For the Three Months Ended September 30

(Canadian dollars)

(Unaudited)

| | 2022 | 2021 (1) |
|--|------------|-----------|
| Expenses | | |
| Accounting, audit and legal | \$ 20,927 | \$ 25,398 |
| Filing fees | 5,363 | - |
| Investor relations | 13,285 | - |
| Office and general | 3,176 | 105 |
| Transfer agent | 440 | - |
| | <hr/> | <hr/> |
| Loss and comprehensive loss | \$ 43,191 | \$ 25,503 |
| | <hr/> | <hr/> |
| Loss per share – basic and diluted | \$ (0.00) | \$ (0.00) |
| | <hr/> | <hr/> |
| Weighted average number of shares outstanding – basic and diluted | 16,660,001 | 8,500,001 |
| | <hr/> | <hr/> |

-The accompanying notes form an integral part of these condensed interim financial statements-

Great Republic Mining Corp.

Condensed Statements of Changes in Shareholders' Equity

(Canadian dollars)

| | Shares Outstanding | | Share Capital | | Contributed Surplus | | Accumulated Deficit | | Total Shareholders' Equity |
|--------------------------------------|-----------------------|-----------|----------------|-----------|------------------------|-----------|------------------------|-----------|----------------------------------|
| Balance at July 1, 2021 | 8,800,001 | \$ | 134,833 | \$ | - | \$ | (7,053) | \$ | 127,780 |
| Net loss for the period | - | | - | | - | | (25,503) | | (25,503) |
| Balance at September 30, 2021 | 8,500,001 | \$ | 134,833 | \$ | - | \$ | (32,556) | \$ | 102,277 |
| Balance at June 30, 2022 | 16,660,001 | | 702,622 | | 34,622 | | (122,862) | | 614,382 |
| Net loss for the period | - | | - | | - | | (43,191) | | (43,191) |
| Share issue costs recovery | - | | 7,379 | | - | | - | | 7,379 |
| Balance at September 30, 2022 | 16,660,001 | \$ | 710,001 | \$ | 34,622 | \$ | (166,053) | \$ | 578,570 |

The accompanying notes form an integral part of these condensed interim financial statements-

Great Republic Mining Corp.

Condensed Interim Statement of Cash Flows For the Three Months Ended September 30

(Canadian dollars)

(Unaudited)

| Cash resources provided by /(used in) | 2022 | 2021 |
|--|-------------------|------------------|
| Operating activities | | |
| Loss for the period | \$ (43,191) | \$ (25,503) |
| Changes in non-cash working capital | | |
| Accounts receivable | (9,357) | - |
| Prepaid | - | (10,000) |
| Trade payables and accrued liabilities | (13,489) | 20,911 |
| | <u>(66,037)</u> | <u>(14,592)</u> |
| Financing activities | | |
| Recovery of share issue costs | <u>7,379</u> | - |
| Net change in cash | (58,658) | (14,592) |
| Cash, beginning of period | <u>548,563</u> | <u>106,780</u> |
| Cash, end of period | <u>\$ 489,905</u> | <u>\$ 92,188</u> |

-The accompanying notes form an integral part of these condensed interim financial statements-

Great Republic Mining Corp.

Notes to the Condensed Interim Financial Statements

September 30, 2022

(Canadian dollars)

(Unaudited)

1. Nature of operations

Great Republic Mining Corp. (the "Company") was incorporated under the British Columbia Business Corporations Act on September 4, 2020. The Company is an exploration stage mining company with one exploration property, the Porcher Mineral Property located in the Skeena Mining Division, British Columbia, Canada (Note 4).

The principal address and registered office of the Company is 303 -543 Granville Street, Vancouver, British Columbia, Canada, V6C 1X8.

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of business. The Company is an exploration stage mining company which has an accumulated deficit of \$166,053 as at September 30, 2022. The Company is expected to incur further operating losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon the successful results from its business activities and its ability to raise equity capital or borrowings sufficient to meet current and future obligations. These financial statements do not include adjustments that may be necessary if the going concern principal is not appropriate.

COVID-19

During the first calendar quarter of 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization; this has resulted in changes in global supply and demand of certain mineral and energy products. These changes, including a potential economic downturn and any potential resulting direct and indirect negative impact to the Company cannot yet be determined, but they could have a prospective material impact to the Company's exploration activities and ability to raise financing and therefore the Company's cash flows and liquidity. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy and the Company are not known at this time.

2. Basis of Presentation

a) Statement of compliance

These condensed interim 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 ("IFRIC"). 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 financial statements for the period ended June 30, 2022, prepared in accordance with IFRS as issued by the IASB.

The financial statements were authorized for issue by the Board of Directors on October 24, 2022.

a) Basis of measurement

These financial statements have been prepared on the historical cost basis except for certain financial instruments classified in accordance with measurement standards under IFRS, which include assets and liabilities measured at fair value. These financial statements are presented in Canadian dollars.

Great Republic Mining Corp.

Notes to the Condensed Interim Financial Statements

September 30, 2022

(Canadian dollars)
(Unaudited)

3. Significant Accounting Policies

a) Use of estimates and judgments

The Company makes estimates, judgments and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates, judgments and assumptions are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income or loss in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

i) Exploration and Evaluation Expenditures

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after expenditures are capitalized, information becomes available suggesting impairment, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

ii) Income Taxes

Judgment is required in determining the provision for income taxes and the recognition of deferred income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax laws. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties.

iii) Going Concern

As described in Note 1, management uses its judgment in determining whether the Company is able to continue as a going concern.

b) New accounting pronouncements not yet effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

Great Republic Mining Corp.

Notes to the Condensed Interim Financial Statements

September 30, 2022

(Canadian dollars)
(Unaudited)

4. Exploration and evaluation asset

Exploration costs incurred:

| | | |
|---|-----------|---------------|
| Balance July 1, 2021 | \$ | 25,487 |
| Costs incurred: | | |
| Geological consulting | | 19,899 |
| Option payment | | 54,000 |
| Balance September 30, 2022 and June 30, 2022 | \$ | 99,386 |

On May 17, 2021 and amended September 15, 2021, the Company entered into an option agreement on the Porcher Mineral Property in the Skeena Mining Division in British Columbia Canada. The Company can earn a 100% interest in the property by completing the following requirements:

- i) Exploration expenditures of \$1.6 million as follows:
- \$100,000 within 12 months of listing on a public exchange (“listing”) or before December 31, 2022, whichever comes first;
 - \$250,000 within 24 months of listing;
 - \$500,000 within 36 months of listing; and
 - \$750,000 within 48 months of listing.
- ii) Issuance of 2,250,000 common shares as follows:
- 300,000 shares on or before listing (issued);
 - 400,000 shares on or before the 12 month anniversary of listing;
 - 500,000 shares on or before the 24 month anniversary of listing; and
 - 1,050,000 shares on or before the 48 month anniversary of listing.
- ii) Cash payments
- \$6,000 within 5 days of signing agreement (paid);
 - \$24,000 on or before the date of listing (paid); and
 - \$45,000 on or before December 31, 2022.

The property is subject to a 2% Net Smelter Return (“NSR”), provided that the Company may purchase one-half of the NSR for total consideration of \$1.0 million at any time prior to such time when:

- i) The concentrator processing ore, for other than testing purposes, has operated for a period of 45 consecutive days at an average rate of not less than 70% of design capacity; or
- ii) If a concentrator is not erected on the property, when ore have been produced for a period of 45 consecutive production days at a rate of not less than 70% of the mining rate specified in and study a mine plan recommending placing the property into production.

On September 15, 2021, the Company and the optionors signed an amendment to the Porcher option agreement. The Company has agreed issue an additional 300,000 common shares to the optionors, on or before the 48 month anniversary of listing. The revised total number of shares to be issued is 2,250,000.

Great Republic Mining Corp.

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September 30, 2022

(Canadian dollars)
(Unaudited)

5. Equity

a) Share capital

Authorised share capital consists of an unlimited number of common shares without par value.

At September 30, 2022 there were 16,660,001 (2021 – 8,500,001) issued and fully paid common shares of which 2,250,001 (2021 nil) common shares held in escrow.

On June 8, 2022, the Company completed its initial public offering of 7,860,000 common shares, at a price of \$0.10 per share for gross proceeds of \$786,000. The Company paid cash commissions equal to 10% of the gross proceeds and the agents were granted an aggregate of 550,200 options entitling the holder to purchase shares at a price of \$0.10 per share, exercisable on or before June 8, 2024. The Black-Scholes Option Pricing Model was used to estimate the fair value of these options, which the Company recognized as share issue costs and an increase to contributed surplus using the following assumptions:

| Date Granted | June 8, 2022 |
|---------------------------------|--------------|
| Number of options granted | 550,200 |
| Risk-free interest rate | 3.12% |
| Expected dividend yield | Nil |
| Expected share price volatility | 123.5% |
| Expected option life in years | 2.0 |

On February 1, 2021, the Company completed a non-brokered private placement for gross proceeds of \$132,500 from the issuance of 6,625,000 common shares priced at \$0.02 per share.

On February 1, 2021 and November 20, 2020, the Company completed a non-brokered private placement for gross proceeds of \$1,875 from the issuance of 375,000 common shares priced at \$0.005 per share.

On November 20, 2020, the Company completed a non-brokered private placement for gross proceeds of \$7,500 from the issuance of 1,500,001 common shares priced at \$0.005 per share.

b) Stock options

The Company has established a stock option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Under the terms of the Company's stock option plan, the maximum number of shares reserved for issuance is 10% of the issued shares of the Company on a rolling basis. Options granted must be exercised on a date no later than ten years from date of grant or extension or such lesser period as determined by the Company's board of directors or as required by the Canadian Securities Exchange ("Exchange"). The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant.

There were no stock options outstanding or granted to September 30, 2022.

6. Related party transactions

The Company considers key management personnel to consist of its directors and officers.

There were no related party transactions during the three months ended September 30, 2022 or during the year ended June 30, 2022.

Great Republic Mining Corp.

Notes to the Condensed Interim Financial Statements

September 30, 2022

(Canadian dollars)
(Unaudited)

7. Financial instruments

Fair value

The Company's financial instruments consist of cash and trade payables. The fair value of these financial instruments approximates their carrying values due to the short-term nature of these investments and are carried at amortized cost.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1- Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The Company is exposed, in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on cash held in bank accounts. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

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 ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

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

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of equity and cash.

There were no changes in the Company's approach to capital management during the three months ended September 30, 2022. The Company is not subject to any externally imposed capital requirements.
