

GREAT REPUBLIC MINING CORP.

(An Exploration Stage Company)

CONDENSED INTERIM FINANCIAL STATEMENTS

December 31, 2023

(Canadian dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

The Company's independent auditor has not performed a review of these 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.

Great Republic Mining Corp.

Condensed Interim Statements of Financial Position

(Canadian dollars)

(Unaudited – Prepared by Management)

As at

	December 31, 2023	June 30, 2023
ASSETS		
Current		
Cash	\$ 319,070	\$ 406,972
GST receivable	4,611	3,174
	<u>323,681</u>	<u>410,146</u>
Exploration and evaluation asset (Note 4)	<u>228,745</u>	155,636
	<u>\$ 552,426</u>	<u>\$ 565,782</u>
LIABILITIES		
Current		
Trade payables and accrued liabilities	\$ 65,130	\$ 55,860
SHAREHOLDERS' EQUITY		
Share capital (Note 5)	751,251	721,251
Contributed surplus (Note 5)	80,206	34,622
Accumulated deficit	<u>(344,161)</u>	<u>(245,951)</u>
	<u>487,296</u>	<u>509,922</u>
	<u>\$ 552,426</u>	<u>\$ 565,782</u>

Nature and continuance 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 Statements of Loss and Comprehensive Loss

(Canadian dollars)

(Unaudited - Prepared by Management)

	Three months ended December 31,		Six months ended December 31,	
	2023	2022	2023	2022
Expenses				
Accounting, audit and legal	\$ 10,133	\$ 12,606	\$ 14,633	\$ 33,533
Filing fees	5,056	2,250	7,306	7,613
Investor relations	24,092	47	24,092	13,332
Office and general	1,306	2,084	1,668	5,260
Share-based payments (Note 5)	45,584	-	45,584	-
Transfer agent	3,779	3,091	4,927	3,531
Loss and comprehensive loss	\$ (89,950)	\$ (20,078)	\$ (98,210)	\$ (63,269)
Loss per share - basic and diluted	\$ (0.01)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of shares outstanding - basic and diluted	17,210,001	16,663,262	17,136,088	16,663,262

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

Great Republic Mining Corp.

Condensed Interim Statements of Changes in Shareholders' Equity

(Canadian dollars)

(Unaudited – Prepared by Management)

	Shares Outstanding		Share Capital		Contributed Surplus		Accumulated Deficit		Total Shareholders' Equity
Balance at June 30, 2022	16,660,001	\$	702,622	\$	34,622	\$	(122,862)	\$	614,382
Shares issued for option payments (Note 4)	150,000		11,250		-		-		11,250
Share issue cost recovery	-		7,379		-		-		7,379
Net loss for the period	-		-		-		(63,269)		(63,269)
Balance at December 31, 2022	16,810,001	\$	721,251	\$	34,622	\$	(186,131)	\$	569,742
Balance at June 30, 2023	16,810,001	\$	721,251	\$	34,622	\$	(245,951)	\$	509,922
Shares issued for option payments (Note 4)	400,000		30,000		-		-		30,000
Share-based payments	-		-		45,584		-		45,584
Net loss for the period	-		-		-		(98,210)		(98,210)
Balance at December 31, 2023	17,210,001	\$	751,251	\$	80,206	\$	(344,161)	\$	487,296

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Great Republic Mining Corp.

Condensed Interim Statements of Cash Flows

For the Six Months Ended December 31,

(Canadian dollars)

(Unaudited – Prepared by Management)

Cash resources provided by / (used in)	2023	2022
Operating activities		
Loss for the period	\$ (98,210)	\$ (63,269)
Items not involving cash		
Share-based payments	45,584	-
Changes in non-cash working capital		
GST receivable	(1,437)	(10,100)
Trade payables and accrued liabilities	9,270	(26,297)
	<u>(44,793)</u>	<u>(99,666)</u>
Investing activities		
Exploration and evaluation assets	<u>(43,109)</u>	<u>(45,000)</u>
	<u>(43,109)</u>	<u>(45,000)</u>
Financing activities		
Share issue costs recovery	-	7,379
	<u>-</u>	<u>7,379</u>
Net change in cash	(87,902)	(137,287)
Cash at the beginning of the period	<u>406,972</u>	<u>548,563</u>
Cash at the end of the period	\$ 319,070	\$ 411,276
Supplemental cash flow information		
Shares issued for option payments	\$ 30,000	\$ -

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Great Republic Mining Corp.

Notes to the Condensed Interim Financial Statements

December 31, 2023

(Canadian dollars)

(Unaudited – Prepared by Management)

1. Nature and continuance of operations

Great Republic Mining Corp. (the “Company”) was incorporated under the British Columbia Business Corporations Act on September 4, 2020. The Company is listed on the Canadian Security Exchange under trading symbol “GRM”. 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 \$344,161 as at the period ended December 31, 2023. 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 condensed interim financial statements do not include adjustments that may be necessary if the going concern principal is not appropriate.

There are many external factors that can adversely affect general workforces, economies, and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company’s business or ability to raise funds.

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 year ended June 30, 2023, prepared in accordance with IFRS as issued by the IASB.

The condensed interim financial statements were authorized for issue by the Board of Directors on February 12, 2024.

b) Basis of measurement

These condensed interim 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 condensed interim financial statements are presented in Canadian dollars.

Great Republic Mining Corp.

Notes to the Condensed Interim Financial Statements

December 31, 2023

(Canadian dollars)
(Unaudited – Prepared by Management)

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 condensed interim 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 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.

Great Republic Mining Corp.
Notes to the Condensed Interim Financial Statements
December 31, 2023
(Canadian dollars)
(Unaudited – Prepared by Management)

3. Significant Accounting Policies – continued

The accounting policies applied by the Company in these condensed interim financial statements are the same as those applied by the Company as at and for the year ended June 30, 2023.

4. Exploration and evaluation asset

Exploration costs incurred:

Balance, June 30, 2022	\$ 99,386
Costs incurred:	
Option payments	56,250
Balance, June 30, 2023	155,636
Costs incurred:	
Option payments	30,000
Assays	3,109
Field work	40,000
Balance, December 31, 2023	\$ 228,745

On May 17, 2021, and amended September 15, 2021, October 24, 2022 and May 1, 2023, 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:

- \$40,000 on or before June 1, 2023 (incurred);
- \$60,000 on or before December 31, 2023 (\$20,000 incurred subsequent to the period ended December 31, 2023 and \$40,000 subsequently amended to be incurred by December 31, 2024);
- \$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 2,400,000 common shares as follows:

- 300,000 shares on or before listing (issued);
- 150,000 shares per amended agreement (issued);
- 400,000 shares on or before the 12 month anniversary of listing (issued);
- 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 (paid).

Great Republic Mining Corp.
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4. Exploration and evaluation asset – continued

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 December 27, 2022, the Company approved an amendment to the Porcher option agreement. Under the terms of the amendment, the Company agreed to issue an aggregate of 150,000 shares to the optionors in consideration for the deferral of the exploration expenditures for 2022, with \$40,000 to be completed by June 1, 2023 and \$60,000 by December 31, 2023. The revised total number of shares to be issued is 2,400,000.

On December 20, 2023, the Company approved an amendment to its property option agreement. Under the terms of the amendment, the Company agreed to pay \$7,500 to the property optionors (\$2,500 to each optionor) in consideration of the deferral of \$40,000 exploration expenditures to December 31, 2024.

5. Equity

a) **Share capital**

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

At December 31, 2023 there were 17,210,001 issued and fully paid common shares of which 1,106,250 common shares held in escrow.

	Number Of Agents Options	Weighted Average Exercise Price
Balance – June 30, 2022, 2023 and December 31, 2023	550,200	\$ 0.10

b) **Agents options**

As at December 31, 2023, the following agents options were outstanding and exercisable:

Number of Agents Options	Exercise Price (\$)	Expiry Date
550,200	0.10	June 8, 2024
550,200		

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5. Equity – continued

c) 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. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant.

Stock option transactions and the number of stock options outstanding are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, June 30, 2022 and 2023	-	\$ -
Granted	1,500,000	0.12
Balance, December 31, 2023	1,500,000	\$ 0.12

As at December 31, 2023, the following stock options were outstanding:

Number of Options	Exercise Price (\$)	Expiry Date
1,500,000	0.12	October 31, 2028
1,500,000		

Share-based payments

During the period ended December 31, 2023, the Company granted 1,500,000 stock options to directors, officers and consultants of the Company at an exercise price of \$0.12 per common share for 5 years. The Company recognized \$45,584 (year ended June 30, 2023 - \$Nil) in share-based payments with respect to options vested during the period. The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted:

	Period ended December 31, 2023	Year ended June 30, 2023
Weighted average discount rate	4.12%	-
Expected life of options	5 Years	-
Expected volatility	123.50%	-
Weighted average fair value per option granted	\$0.06	-

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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 period ended December 31, 2023 and the year ended June 30, 2023.

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 instruments 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. GST receivable is due from the federal government and is exposed to minimum credit risk.

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.

Great Republic Mining Corp.

Notes to the Condensed Interim Financial Statements

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(Canadian dollars)

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7. Financial instruments – *continued*

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 period ended December 31, 2023. The Company is not subject to any externally imposed capital requirements.