

BUSCANDO RESOURCES CORP.
Condensed Interim Financial Statements
(Expressed in Canadian Dollars)
For the three months ended March 31, 2022 and 2021
(Unaudited – Prepared by Management)

The accompanying unaudited interim condensed consolidated financial statements of Buscando Resources Corp 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 auditors.

BUSCANDO RESOURCES CORP.

Condensed Interim Statements of Financial Position

As at March 31, 2022 and 2021

(Expressed in Canadian Dollars)

	Note	March 31, 2022	December 31, 2021
ASSETS			
<i>Current Assets</i>			
Cash	\$	280,957	\$ 384,358
Taxes receivable		5,153	2,250
Accounts receivable		9,286	5,903
		295,396	392,511
<i>Non-Current Assets</i>			
Exploration and evaluation assets	4	177,579	128,564
Total Assets	\$	472,975	521,075
LIABILITIES			
<i>Current Liabilities</i>			
Accounts payable & accrued liabilities	7	\$ 33,106	25,244
Total Liabilities		33,106	25,244
SHAREHOLDERS' EQUITY			
Share capital <i>(net of issuance costs)</i>	6	585,587	188,500
Special warrants <i>(net of issuance costs)</i>	5	-	387,186
Reserves	6	62,387	65,853
Deficit		(208,105)	(145,708)
		439,869	495,831
	\$	472,975	\$ 521,075

Nature of operations and going concern	1
Events after the reporting date	10

On behalf of the Directors

"Kyler Hardy", President & CEO
Kyler Hardy

"Farzad Forooghian", Director
Farzad Forooghian

BUSCANDO RESOURCES CORP.

Condensed Interim Statements of Loss and Comprehensive Loss

For the three months ended March 31, 2022 and 2021

(Expressed in Canadian Dollars)

	For the three months ended March 31, 2021	
Note	For the three months ended March 31, 2022	For the three months ended March 31, 2021
General and Administrative Expenses		
General and administrative	4,300	-
Consulting	33,507	-
Professional fees	7,200	-
Transfer agent & filing fees	17,249	15,790
Interest & bank charges	141	18
Total expenses	<u>62,397</u>	<u>15,808</u>
Net and comprehensive loss for the period	<u>\$ (62,397)</u>	<u>\$ (15,808)</u>
Basic and diluted loss per share	(0.01)	(0.00)
Weighted average number of common shares outstanding	7,499,223	4,922,223

BUSCANDO RESOURCES CORP.

Condensed Interim Statements of Changes in Shareholders' Equity

For the three months ended March 31, 2022 and 2021

(Expressed in Canadian Dollars)

	Note	Number of Common Shares	Amount	Number of Special Warrants	Amount	Reserves	Deficit	Total Shareholders' Equity
Balance December 31, 2020		4,300,001	\$71,000	885,000	\$ 32,286	\$ -	(\$37,078)	\$66,208
Shares issued - private placement	6	2,000,000	100,000	-	-	-	-	100,000
Net loss for the period		-	-	-	-	-	(15,808)	(15,808)
Balance March 31, 2021		6,300,001	\$171,000	885,000	\$ 32,286	\$ -	(\$52,886)	\$150,400
Balance December 31, 2021		6,475,001	\$188,500	4,609,000	\$ 387,186	\$ 65,853	(\$145,708)	\$495,831
Conversion of special warrants	6	4,609,000	387,186	(4,609,000)	(387,186)	-	-	-
Shares issued - repricing	6	-	6,435	-	-	-	-	6,435
Options cancelled	6	-	3,466	-	-	(3,466)	-	-
Net loss for the period		-	-	-	-	-	(62,397)	(62,397)
Balance March 31, 2022		11,084,001	\$585,587	-	\$ -	\$62,387	(\$208,105)	\$439,869

BUSCANDO RESOURCES CORP.

Condensed Interim Statements of Cash Flows

For the three months ended March 31, 2022 and 2021

(Expressed in Canadian Dollars)

	March 31,	March 31, 2021
	2022	
Operating Activities		
Net loss for the period	\$ (62,397)	\$ (15,808)
Changes in non-cash working capital		
Accounts receivable	\$ (3,383)	-
Taxes receivable	\$ (2,904)	-
Accounts payable and accrued liabilities	\$ 7,862	(11,520)
Cash flows used in operating activities	\$ (60,822)	(27,328)
Investing Activities		
Mineral properties	(49,014)	-
Cash flows used in investing activities	(49,014)	-
Financing Activities		
Issue of shares – repricing	6,435	-
Issue of shares - private placement	-	100,000
Cash flows provided by financing activities	6,435	100,000
Increase (decrease) in cash	(103,401)	72,422
Cash, beginning of period	384,358	30,520
Cash, end of period	\$ 280,957	\$ 102,941

Buscando Resources Corp.
Notes to the Condensed Interim Financial Statements
For the years ended March 31, 2022 and 2021
(Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

The Company was incorporated on June 9, 2017 under the laws of British Columbia, Canada and is engaged in the business of acquiring, exploring and developing natural resource properties located in Canada. Its head office and registered office is located at 520 – 999 West Hastings Street, Vancouver, BC V6C 2W2. The common shares of the Company are listed on the Canadian Stock Exchange (“CSE”) under the symbol BRCO.

These 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. As at March 31, 2022, the Company has not generated any revenue and has an accumulated deficit of \$208,105 (Dec 31, 2021 - \$145,708), has limited resources, no sources of operating cash flow and no assurances that sufficient funding will be available to continue operations for an extended period of time. The Company’s continuation as a going concern is dependent on its ability to generate future cash flows and/or obtain additional financing. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors and/or private placements of common stock. There is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company.

These financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PRESENTATION

These condensed interim financial statements have been prepared in accordance with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the annual audited financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS as issued by the IASB.

The financial statements were approved by the Board of Directors on May 24th 2022.

The financial statements are presented in Canadian dollars, which is the functional currency of the Company.

The financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, if applicable, which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting

3. SIGNIFICANT ACCOUNTING POLICIES

The Company’s significant accounting policies applied in these condensed interim financial statements are the same applied in Note 3 to the Company’s annual audited financial statements as at and for the year ended December 31, 2021. These condensed interim financial statements should be read in conjunction with the Company’s most recent annual financial statements.

4. EXPLORATION AND EVALUATION ASSETS

On December 11, 2020, the Company entered into an asset purchase agreement to purchase 100% of the right title and interest in the Rupert Property, located in British Columbia, Canada. The Company agreed to the following

Buscando Resources Corp.
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- i. make cash payments of \$150,000 to be paid as follows:
 - \$25,000 on the closing date (paid);
 - \$50,000 on or before March 15, 2023; and
 - \$75,000 on or before March 15, 2024.
- ii. Issue 3,750,000 shares as follows
 - 1,000,000 on the closing date (issued at \$0.05 per share);
 - 1,250,000 on or before March 15, 2023; and
 - 1,500,000 on or before March 15, 2024.
- iii. Incur exploration expenses of \$200,000 as follows:
 - \$100,000 on or before March 15, 2023 (\$102,579 incurred); and
 - \$100,000 on or before March 15, 2024.

In addition, the Company granted a 2% net smelter return to the Vendor of the property. At any time, 1% of the net smelter return can be purchased by the Company for \$1,500,000.

The Vendor of the property has common directors and officers with the Company.

5. SPECIAL WARRANTS

As at March 31, 2022, there were no special warrants outstanding (December 31, 2021: 4,609,000).

On March 15, 4,609,000 special warrants were converted into common shares (See Note 6).

On December 2, 2021, the company issued 24,000 special warrants at a price of \$0.10 per special warrant for an aggregate amount of \$2,400. Upon exercising, each special warrant will entitle the holder, without any additional consideration, to one common share in the capital of the company and one common share purchase warrant. Each common share purchase warrant will entitle the holder to acquire one common share of the Company at a price of \$0.20 for a period of two years.

On June 23, 2021, the company issued 1,200,000 special warrants at a price of \$0.10 per special warrant for an aggregate amount of \$120,000. Upon exercising, each special warrant will entitle the holder, without any additional consideration, to one common share in the capital of the company and one common share purchase warrant. Each common share purchase warrant will entitle the holder to acquire one common share of the Company at a price of \$0.20 for a period of two years.

On April 1, 2021, the company issued 2,500,000 special warrants at a price of \$0.10 per special warrant for an aggregate amount of \$250,000. Upon exercising, each special warrant will entitle the holder, without any additional consideration, to one common share in the capital of the company and one common share purchase warrant. Each common share purchase warrant will entitle the holder to acquire one common share of the Company at a price of \$0.20 for a period of two years. In connection with this issuance, the Company issued 175,000 finder units. Each finders' units consist of one common share and one share purchase warrant. Each share purchase warrant will entitle the holder to acquire one common share of the Company at a price of \$0.20 for a period of two years, subject to an accelerated expiry.

On October 31, 2020, the company issued 197,000 special warrants at a price of \$0.05 per special warrant for an aggregate amount of \$9,600. Upon exercising, each special warrant will entitle the holder, without any additional consideration, to one common share in the capital of the company.

On October 15, 2020, the company issued 488,000 special warrants at a price of \$0.05 per special warrant for an aggregate amount of \$24,400. Upon exercising, each special warrant will entitle the holder, without any additional consideration, to one common share in the capital of the company. In addition, in connection with the above, the Company issued 200,000 compensation special warrants at a price of \$0.05 per special warrant to Vested Technology Corp.

The special warrants will automatically be exercised on the date that is the earlier of either i) the fifth business

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5. SPECIAL WARRANTS (continued)

day after the date on which the Company obtains a receipt from the applicable securities commission(s) in Canada for the final prospectus qualifying the distribution of the Shares to be issued upon the exercise or deemed exercise of the Special Warrants or (ii) 18 months from the closing date (see note 11).

6. SHARE CAPITAL

Shares

Authorized: Unlimited Common shares without par value.

Issued and Outstanding Common Shares:

As at March 31, 2022, total outstanding and issued common shares: 11,084,001 (December 31, 2021: 6,475,001).

On March 15, 2022 the Company began trading on the CSE. In conjunction with the listing the 4,609,000 special warrants were converted resulting in an issuance of 4,609,000 common shares, 2,000,000 warrants with an exercise price of \$0.10 and 175,000 warrants with an exercise price of \$0.20.

On February 25, 2022, the Company increased the price of 429,000 previously issued common shares from \$0.005 to \$0.02 per share. The company received an additional \$6,435.

On March 3, 2021, the company issued 2,000,000 units at \$0.05 per unit for gross proceeds of \$100,000. Each unit comprises of one common share and one warrant. Each warrant entitles the holder to acquire one common share at a price of \$0.10 for a period of two years.

On December 11, 2020, the Company issued 1,000,000 common shares to a company controlled by a director at \$0.05 per share in relation to the asset purchase agreement for the Rupert Property (Note 4).

On October 31, 2020, the company issued 100,000 common shares at \$0.05 per share as a consulting advisory fee.

On October 31, 2017, the company issued 3,200,000 common shares at \$0.005 per share for gross proceeds of \$16,000.

On June 9, 2017, the Company issued 2 incorporation shares at \$0.01 per share for \$0.02.

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6. SHARE CAPITAL (continued)

Warrants

A summary of the warrants outstanding and exercisable at March 31, 2022 is as follows:

Issue Date	Expiry Date	Number of Warrants Granted	Number of Warrants Exercised	Number of Warrants Remaining	Weighted Average Exercise Price	Weighted average remaining contractual life
3/3/2021	3/3/2023	2,000,000	-	2,000,000	0.10	0.92
4/1/2021	4/1/2023	175,000	-	175,000	0.20	1.00
3/11/2022	4/1/2023	2,500,000	-	2,500,000	0.20	1.00
3/11/2022	6/23/2023	1,200,000	-	1,200,000	0.20	1.23
3/11/2022	12/2/2023	24,000	-	24,000	0.20	1.67
Outstanding March 31 2022		5,899,000	-	5,899,000	0.17	1.17

Options

On March 2, 2022, the company cancelled 50,000 stock options issued to a former employee of the company. The cancelled options have a value of \$3,466 using the Black Scholes valuation model.

On November 1, 2021, the company issued 950,000 stock options to certain directors, officers, and consultants of the company. The options have an exercise price of \$0.10 and expire on November 1, 2025. The options have a value of \$65,853 using the Black Scholes valuation model.

On August 6, 2021 the company approved a stock option plan authorizing the Company to grant stock options up to a maximum of 10% of the company's issued and outstanding shares.

The following Black Scholes variables were used to calculate stock-based compensation:

	November 1, 2021
- weighted average risk-free interest rate	1.67%
- dividend yield of	0.00%
- volatility rate	100%
- expected life (years)	4

A summary of the status of the stock options outstanding under the Company's stock option plan as at March 31, 2022, is as follows:

Date	Number of Options Granted	Number of Options Exercised/Cancelled	Number of Options Remaining	Weighted Average Exercise Price	Weighted average remaining contractual life
11/1/2021	950,000	-	950,000	0.10	3.59
3/2/2022	-	50,000	900,000	0.10	-
Outstanding March 31 2022		950,000	50,000	900,000	3.59

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7. DUE TO RELATED PARTIES

Accounts payable and accrued liabilities includes \$500 (2021 - \$500) owed to a company controlled by a director of the Company. The amount is unsecured, non-interest bearing and has no fixed terms of repayment.

8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to fund the exploration and development of natural resource properties. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator and there have been no changes in the Company's approach to capital management during the period.

9. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT

The Company's financial instruments consist of cash, accounts payable and accrued liabilities and due to related parties.

Financial instruments measured at fair value are classified into one of the 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 hierarchy are:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The fair value of cash is determined using level 1 inputs.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Credit risk is assessed as low.

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 risk is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. As at March 31, 2022, the Company had a cash balance of \$280,957 to settle current liabilities of \$33,106. Liquidity risk is assessed as low.

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9. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (continued)

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 comprises two types of risk: interest rate risk and foreign exchange risk:

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not hold any financial instruments that are subject to fluctuations in interest rates. Interest rate risk has been assessed as low.

Foreign currency Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. As at March 31, 2022, the Company does not have any financial instruments denominated in a foreign currency. Foreign currency risk has been assessed as low.

10. EVENTS AFTER THE REPORTING DATE

There are no events after the reporting date to disclose.