

**BUSCANDO RESOURCES CORP.**  
**Condensed Interim Financial Statements**  
**(Expressed in Canadian Dollars)**  
**For the three months ended March 31, 2023 and 2022**

**BUSCANDO RESOURCES CORP.**

Condensed Interim Statements of Financial Position

As at March 31, 2023 and December 31, 2022

*(Unaudited & expressed in Canadian Dollars)*

	Note	March 31, 2023	December 31, 2022
<b>ASSETS</b>			
<i>Current Assets</i>			
Cash		\$70,320	\$160,958
Taxes receivable		13,695	11,370
Accounts receivable		-	-
		<b>84,015</b>	172,328
<i>Non-Current Assets</i>			
Exploration and evaluation assets	4	353,079	178,079
<b>Total Assets</b>		<b>\$437,094</b>	<b>\$350,407</b>
<b>LIABILITIES</b>			
<i>Current Liabilities</i>			
Accounts payable & accrued liabilities	7	52,336	12,071
<b>Total Liabilities</b>		<b>\$52,336</b>	<b>\$12,071</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital <i>(net of issuance costs)</i>	6	882,121	757,121
Reserves	6	65,853	65,853
Deficit		(563,216)	(484,638)
		<b>\$384,758</b>	<b>\$338,336</b>
		<b>\$437,094</b>	<b>\$350,407</b>

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 period ended March 31, 2023 and 2022

*(Unaudited & expressed in Canadian Dollars)*

		<b>For the three months ended March 31, 2023</b>	For the three months ended March 31, 2022
	<b>Note</b>		
<b>General and Administrative Expenses</b>			
General and administrative		<b>1,484</b>	4,300
Consulting	7	<b>64,343</b>	33,507
Professional fees	7	<b>8,647</b>	7,200
Transfer agent & filing fees		<b>3,732</b>	17,249
Interest & bank charges		<b>372</b>	141
<b>Total expenses</b>		<b>78,578</b>	62,397
<b>Net and comprehensive loss for the period</b>		<b>\$ (78,578)</b>	\$ (62,397)
<b>Basic and diluted loss per share</b>		<b>(0.01)</b>	(0.01)
<b>Weighted average number of common shares outstanding</b>		<b>13,056,223</b>	7,499,223

**BUSCANDO RESOURCES CORP.**

Condensed Interim Statements of Changes in Shareholders' Equity

For the period ended March 31, 2023 and 2022

*(Unaudited & expressed in Canadian Dollars)*

	Note	Number of Common Shares	Amount	Number of Special Warrants	Amount	Reserves	Deficit	Total Shareholders' Equity
<b>Balance December 31, 2021</b>		<b>6,475,001</b>	<b>\$188,500</b>	<b>4,609,000</b>	<b>\$387,186</b>	<b>\$ 65,853.00</b>	<b>(\$145,708)</b>	<b>\$495,831</b>
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 year		-	-	-	-	-	(62,397)	(62,397)
<b>Balance March 31, 2022</b>		<b>11,084,001</b>	<b>\$585,587</b>	<b>-</b>	<b>\$0</b>	<b>\$ 62,387</b>	<b>(\$208,105)</b>	<b>\$439,869</b>
<b>Balance December 31, 2022</b>		<b>12,834,001</b>	<b>\$757,121</b>	<b>-</b>	<b>\$ -</b>	<b>\$ 65,853</b>	<b>(\$484,638)</b>	<b>\$338,336</b>
Shares issued - mineral property	6	1,250,000	125,000	-	-	-	-	125,000
Net loss for the year		-	-	-	-	-	(78,578)	(78,578)
<b>Balance March 31, 2023</b>		<b>14,084,001</b>	<b>\$882,121</b>	<b>-</b>	<b>\$ -</b>	<b>\$65,853</b>	<b>(\$563,216)</b>	<b>\$384,758</b>

**BUSCANDO RESOURCES CORP.**

Condensed Interim Statements of Cash Flows

For the period ended March 31, 2023 and 2022

*(Unaudited & expressed in Canadian Dollars)*

	<b>March 31,</b>	
	<b>2023</b>	March 31, 2022
<b>Operating Activities</b>		
Net loss for the period	\$ (78,578)	\$ (62,397)
Changes in non-cash working capital		
Accounts receivable	-	(3,383)
Taxes receivable	(2,325)	(2,904)
Due to related parties	(1,000)	-
Accounts payable and accrued liabilities	(8,735)	7,862
Net cash used in operating activities	\$ (90,638)	(60,822)
<b>Investing Activities</b>		
Mineral properties	-	(49,014)
Net cash used in investing activities	-	(49,014)
<b>Financing Activities</b>		
Proceeds from repricing of shares	-	6,435
Net cash provided by financing activities	-	6,435
<b>Increase (decrease) in cash</b>	<b>(90,638)</b>	<b>(103,401)</b>
Cash, beginning of period	160,958	384,358
Cash, end of period	\$ 70,320	\$ 280,957

**Buscando Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
**For the period ended March 31, 2023 and 2022**  
*(Unaudited & Expressed in Canadian dollars)*

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**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 and on the OTC under the symbol BRCOF.

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 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, 2023, the Company has not generated any revenue and has a working capital surplus of \$31,679 (December 31, 2022 - \$160,257), 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 condensed interim 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, 2022, which have been prepared in accordance with IFRS as issued by the IASB.

The condensed interim financial statements were approved by the Board of Directors on May 24, 2023.

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

The condensed interim 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 condensed interim 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 period ended December 31, 2022. These condensed interim financial statements should be read in conjunction with the Company’s most recent annual financial statements.

**Buscando Resources Corp.**  
**Notes to the Condensed Interim Financial Statements**  
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**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

- 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 (accrued with a payment extension granted by the Optionors to September 30, 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);
  - 1,250,000 on or before March 15, 2023 (issued 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 (\$100,000 incurred); and
  - \$100,000 on or before March 15, 2024 (\$3,079 incurred).

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 Rupert Property has common directors and officers with the Company.

**5. SPECIAL WARRANTS**

As at March 31, 2023, there were no special warrants outstanding (December 31, 2022: Nil).

On March 11, 2022, 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 finder's unit consists 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.

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

**Buscando Resources Corp.**  
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**6. SHARE CAPITAL**

Shares

Authorized: Unlimited Common shares without par value.

Issued and Outstanding Common Shares:

As at March 31, 2023, the total outstanding and issued common shares: 14,084,001 (December 31, 2022: 12,834,001).

On March 15, 2023, 1,250,000 common shares were issued in relation to the asset purchase agreement for the Rupert Property (Note 4) at \$0.10 per common share.

On October 3, 2022, the company issued 1,750,000 units at \$0.10 per unit for gross proceeds of \$175,000. Each unit comprises of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire one common share at a price of \$0.20 for a period of two years.

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 885,000 common shares and 3,724,000 units. Each unit comprises of one common share and one share purchase warrant. Each share purchase warrant entitles the holder to acquire one common share at a price of \$0.20 for a period of two years.

On January 25, 2022, the Company increased the price of 429,001 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.

As at March 31, 2023, 3,075,001 common shares were held in escrow.

Warrants

A summary of the changes in warrants is as follows:

	<u>Number of warrants</u>	<u>Weighted average exercise price</u>
		\$
Balance, December 31, 2021	2,175,000	0.11
Issued	5,474,000	0.11
Balance, December 31, 2022	7,649,000	0.20
Expired	(2,000,000)	0.10
<b>Balance, March 31, 2023</b>	<b>5,649,000</b>	<b>0.17</b>



**Buscando Resources Corp.**  
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**6. SHARE CAPITAL (continued)**

The continuity of warrants for the period ended March 31, 2023 is as follows:

Warrants Outstanding	Exercise Price	Expiry Date	Weighted average remaining life (in years)
	\$		
175,000	0.20	04-01-2023	0.00
2,500,000*	0.20	10-31-2023	0.59
1,200,000*	0.20	10-31-2023	0.59
24,000	0.20	12-02-2023	0.67
1,750,000	0.20	10-03-2024	1.51
<b>5,649,000</b>			<b>0.67</b>

\*On March 6, 2023 the Company extended the expiry dates of the following warrants to October 31, 2023:

- 2,500,000 common share purchase warrants that were issued on March 11, 2022 having an exercise price of \$0.20 and an expiry date of April 1, 2023; and
- 1,200,000 common share purchase warrants that were issued on March 11, 2022 having an exercise price of \$0.20 and an expiry date of June 23, 2023.

Options

On March 2, 2022, the company cancelled 50,000 stock options issued to a former consultant 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
Volatility	100%
Expected life	4 years
Risk-free interest rate	1.67%
Dividend yield	0%

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

**Buscando Resources Corp.**  
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**6. SHARE CAPITAL (continued)**

	Number	Weighted Average Exercise Price \$
Options outstanding at December 31, 2021	950,000	-
Expired	(50,000)	0.10
Options outstanding at December 31, 2022	900,000	0.10
<b>Options outstanding at March 31, 2023</b>	<b>900,000</b>	<b>0.10</b>

The continuity of stock options for the period ended March 31, 2023 is as follows:

Options Outstanding	Exercise Price \$	Expiry Date	Weighted average remaining life (in years)
900,000	0.10	11-01-2025	2.59
<b>900,000</b>			<b>2.59</b>

**7. DUE TO RELATED PARTIES**

During the period ended March 31, 2023 the Company paid \$37,500 (2022 - \$Nil) for back office management and accounting services to a company controlled by a director of the Company and \$5,647 (2022 - \$Nil) for legal fees to a company controlled by a director of the Company.

As at March 31, 2023, accounts payable and accrued liabilities include \$1,000 (2022 - \$1,000) owing from a company controlled by a director of the Company. This was repaid subsequent to period end.

The above transactions with related parties, occurring in the normal course of operations, were measured at fair value, are unsecured with no specific terms of repayment and are non-interest bearing; unless otherwise stated.

**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 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

**Buscando Resources Corp.**  
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**9. FINANCIAL INSTRUMENTS AND CAPITAL RISK MANAGEMENT (continued)**

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, 2023, the Company had a cash balance of \$70,320 to settle current liabilities of \$52,336. Liquidity risk is assessed as high.

*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, 2023, 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 disclosable events after the reporting date.