

**AURIC MINERALS CORP.**

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JANUARY 31, 2024 AND 2023

(Expressed in Canadian Dollars)

(unaudited)

# AURIC MINERALS CORP.

## Condensed Interim Statement of Financial Position (unaudited)

(Expressed in Canadian Dollars)

As at		January 31, 2024	October 31, 2023
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash		\$176,486	\$222,497
Prepaid expense		3,000	48
<b>Non-Current Assets</b>			
Mineral Property	Note 5	95,000	95,000
<b>Total Assets</b>		<b>\$274,486</b>	<b>\$317,545</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts payable and accrued liabilities		\$396	\$6,622
Due to related party	Note 7	6,986	6,986
<b>Long-Term Liabilities</b>			
Loan from related party	Note 8	74,500	59,000
<b>Total Liabilities</b>		<b>81,882</b>	<b>72,608</b>
<b>SHAREHOLDER'S EQUITY</b>			
Share capital	Note 4	419,000	52,900
Warrant reserve	Note 6	-	366,100
Deficit		(226,396)	(174,063)
<b>Total Shareholder's Equity</b>		<b>192,604</b>	<b>244,937</b>
<b>Total Liabilities and Shareholder's Equity</b>		<b>\$274,486</b>	<b>\$317,545</b>

Nature of operations and going concern (Note 1)

Approved by the Board of Director and authorized on:

"Dimitri Lakutin"

Director

"Mikhail Bukshpan"

Director

The accompanying notes form an integral part of these financial statement

# AURIC MINERALS CORP.

## Condensed Interim Statements of Loss and Comprehensive Loss (unaudited)

(Expressed in Canadian Dollars)

	Three months ended	
	January 31, 2024	January 31, 2023
<b>Expenses</b>		
Bank charges and interest	300	50
Filing fees	13,113	15,250
Office and admin	48	36
Professional fees	34,372	12,543
Director fee	Note 7	2,000
<b>Net loss and comprehensive loss for the period</b>	<b>\$(52,333)</b>	<b>\$(29,879)</b>
<b>Net Loss per share</b>		
Basic and diluted loss per share	<b>\$(0.00)</b>	<b>\$(0.00)</b>
Weighted average common shares outstanding - basic and diluted	5,939,584	3,168,906

## AURIC MINERALS CORP.

### Condensed Interim Statements of Changes in Shareholders' Equity (unaudited)

(Expressed in Canadian Dollars)

For the three months ended January 31, 2024 and 2023

	Number of Shares	Capital Stock	Warrants	Deficit	Total
<b>Balance, October 31, 2022</b>	<b>3,290,000</b>	<b>\$40,400</b>	<b>\$366,100</b>	<b>\$(34,004)</b>	<b>\$372,496</b>
Loss for the period	-	-	-	(29,879)	(29,879)
<b>Balance, January 31, 2023</b>	<b>3,290,000</b>	<b>\$40,400</b>	<b>\$366,100</b>	<b>\$(63,883)</b>	<b>\$342,617</b>
<b>Balance, October 31, 2023</b>	<b>3,415,000</b>	<b>\$52,900</b>	<b>\$366,100</b>	<b>\$(174,063)</b>	<b>\$244,937</b>
Warrants exercised	Note 6	11,857,500	366,100	(366,100)	-
Loss for the period		-	-	(52,333)	(52,333)
<b>Balance, January 31, 2024</b>	<b>15,272,500</b>	<b>\$419,000</b>	<b>\$nil</b>	<b>\$(226,396)</b>	<b>\$192,604</b>

The accompanying notes form an integral part of these financial statement

# AURIC MINERALS CORP.

## Condensed Interim Statements of Cash Flows (unaudited)

(Expressed in Canadian Dollars)

	Three months ended	
	January 31, 2024	January 31, 2023
<b>Cash flows from operating activities</b>		
<b>Net loss for the period</b>	<b>\$(52,333)</b>	<b>\$(29,879)</b>
Changes in non-cash working capital:		
(Increase) decrease in prepaid expenses	(2,952)	36
(Decrease) in operating accounts payable and accrued liabilities	(6,226)	(3,000)
<b>Cash used in operating activities</b>	<b>(61,511)</b>	<b>(32,843)</b>
<b>Cash flow from financing activities</b>		
Loan from related-party	15,500	-
Warrant reserve	Note 6	(366,100)
Common shares	Note 4	366,100
<b>Cash received from financing activities</b>	<b>15,500</b>	<b>-</b>
<b>Decrease in cash during the period</b>	<b>(46,011)</b>	<b>(32,843)</b>
<b>Cash, beginning of period</b>	<b>222,497</b>	<b>285,306</b>
<b>Cash, end of period</b>	<b>\$176,486</b>	<b>\$252,463</b>

The accompanying notes form an integral part of these financial statement

# **AURIC MINERALS CORP.**

## **Notes to the Condensed Interim Financial Statements (unaudited)**

(Expressed in Canadian Dollars)

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**For the three months ended January 31, 2024 and 2023**

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Auric Minerals Corp. (the "Company" or "Auric Minerals") was incorporated on February 18, 2021 pursuant to the Canada Business Corporations Act. The Company is currently engaged in the acquisition, exploration and development of mineral properties. The address of the Company's corporate office and principal place of business is 106-482 South Service Road East, Suite 125 Oakville, Ontario, L6J 2X6, Canada.

These condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At present, the Company has no operating income. The Company incurred a net loss of \$52,333 during the three months period ended January 31, 2023, and as of that date, had a deficit of \$226,396 (October 31, 2023 - \$174,063). Without additional financing, the Company may not be able to fund its ongoing operations and complete development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. These condensed interim financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

# **AURIC MINERALS CORP.**

## **Notes to the Condensed Interim Financial Statements (unaudited)**

(Expressed in Canadian Dollars)

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**For the three months ended January 31, 2024 and 2023**

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### **2. BASIS OF PREPARATION**

#### ***(a) Statement of Compliance***

These condensed interim financial statements as at and for the three and three months ended January 31, 2023 have been prepared in accordance with International Accounting Standard (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The disclosure contained in these condensed interim financial statements does not include all the requirements in IAS 1 Presentation of Financial Statements (“IAS 1”). Accordingly, these condensed interim financial statements should be read in conjunction with the Company’s financial statements as at and for the year ended October 31, 2023, which include information necessary to understand the Company’s business and financial statement presentation.

#### ***(b) Basis of Presentation***

These condensed interim financial statements have been prepared on the historical cost basis, except for financial instruments designated at fair value through profit and loss, which are stated at their fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information. These financial statements are presented in Canadian dollars, which is the Company's functional currency. All values are rounded to the nearest dollar.

#### ***(c) Summary of significant accounting policies***

These condensed interim financial statements have been prepared using the same accounting policies and methods of computation as presented in Note 3 of the annual financial statements of the Company as at and for the year ended October 31, 2023, except for those newly adopted accounting standards noted below.

#### ***(d) Use of Estimates and Judgement***

The preparation of financial statements in conformity with IFRS requires that management make judgements, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management’s best knowledge of the amount, event or actions, actual results may differ from those estimates.

# AURIC MINERALS CORP.

## Notes to the Condensed Interim Financial Statements (unaudited)

(Expressed in Canadian Dollars)

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For the three months ended January 31, 2024 and 2023

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### 2. BASIS OF PREPARATION (Continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities, profits and expenses. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income 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 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:

#### Going concern

Management has applied significant judgment in the assessment of the Company's ability to continue as a going concern when preparing these financial statements. Management prepares the financial statements on a going concern basis unless management either intends to liquidate the entity or has no realistic alternative but to do so.

#### Capitalization of mineral property acquisition costs

When mineral properties are acquired through an acquisition agreement, management has determined that capitalized acquisition costs have future economic benefits and are economically recoverable. Management has assessed various sources of information including, but not limited to, the geologic and metallurgic information, operating management expertise and existing permits. See Note 5 for details of the Company's capitalized acquisition costs in respect of mineral properties.



# **AURIC MINERALS CORP.**

## **Notes to the Condensed Interim Financial Statements (unaudited)**

(Expressed in Canadian Dollars)

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**For the three months ended January 31, 2024 and 2023**

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### **2. BASIS OF PREPARATION** (Continued)

#### **Impairment of mineral properties**

When assessing for indications of impairment related to mineral properties, consideration is given to both external and internal sources of information. These includes changes in the market, economic and legal environment in which the Company operates that are not within its control that could affect the recoverable amount of mineral properties. Internal sources of information include the manner in which the mineral properties are being or expected to be used and indications of expected economic performance of the properties. Estimates include, but are not limited to, the discounted future cash flows expected to be derived from the Company's mining properties, costs to sell the properties and the appropriate discount rate, fluctuation in metal price forecasts, increases in estimated future costs of production, increases in estimated future capital costs, reductions in the amount of recoverable mineral reserves and/or adverse current economics can result in a write-down of the carrying amounts of the Company's mineral properties.

#### **Segment Information**

The Company has one operating segment, acquisition, exploration and evaluation of resource properties, and all long-term assets of the Company are located in Canada.

# **AURIC MINERALS CORP.**

## **Notes to the Condensed Interim Financial Statements (unaudited)**

(Expressed in Canadian Dollars)

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**For the three months ended January 31, 2024 and 2023**

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### **3. FINANCIAL INSTRUMENTS**

The Company manages its exposure to a number of different financial risks arising from its operations as well as its use of financial instruments including market risks (commodity prices, foreign currency exchange rate and interest rate), credit risk and liquidity risk through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility.

Financial risks are primarily managed and monitored through operating and financing activities and, if required, through the use of derivative financial instruments. The Company does not use derivative financial instruments for purposes other than risk management. The financial risks are evaluated regularly with due consideration to changes in the key economic indicators and up to date market information.

#### **Market Risk**

Market risk is the risk or uncertainty arising from possible market price movements and their impact on the future performance of the business. The Company may use derivative financial instruments such as foreign exchange contracts and interest rate swaps to manage certain exposures. These market risks are evaluated by monitoring changes in key economic indicators and market information on an ongoing basis.

#### **Commodity Risk**

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company monitors commodity prices as they relate to gold and the stock market to determine the appropriate course of action to be taken.

#### **Liquidity Risk**

Liquidity risk is the risk that a company cannot meet its financial obligations in full. The Company's main source of liquidity is derived from its common stock and warrants issuances. These funds are used to finance working capital, operating and capital expenditures and acquisitions. As at January 31, 2023 the Company held cash of \$176,486 (October 31, 2023 - \$222,497) to settle current liabilities (excluding due to related party) of \$396 (October 31, 2023 - \$6,622).

# AURIC MINERALS CORP.

## Notes to the Condensed Interim Financial Statements (unaudited)

(Expressed in Canadian Dollars)

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For the three months ended January 31, 2024 and 2023

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### 3. 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 due to changes in market interest rates. Cash bears interest at market rates. In the event that the Company held interest bearing debt, the Company could be exposed to interest rate risk. The Company does not have any interest-bearing debt. Other current financial assets and liabilities are not exposed to interest rate risk because of their short-term nature.

#### 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. Financial instruments that potentially subject the Company to credit risk consist of cash. The Company has reduced its credit risk by investing its cash with a Canadian chartered bank.

#### Capital Management

The Company manages its debts and equity as capital. The Company's main objectives when managing its capital are:

- to maintain a flexible capital structure which optimizes the cost of capital at acceptable risk while providing an appropriate return to its shareholders;
- to maintain a sufficient capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business;
- to safeguard the Company's ability to obtain financing; and
- to maintain financial flexibility in order to have access to capital in the event of future acquisitions.

The Company manages its capital structure and makes adjustments to it in accordance with the objectives stated above, as well as responds to changes in economic conditions and the risk characteristics of the underlying assets.

# AURIC MINERALS CORP.

## Notes to the Condensed Interim Financial Statements (unaudited)

(Expressed in Canadian Dollars)

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For the three months ended January 31, 2024 and 2023

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### 4. SHARE CAPITAL

#### *(a) Authorized*

The Company is authorized to issue an unlimited number of common shares ("Class A") without par value and an unlimited number of special shares ("Class B").

#### *(b) Issued and outstanding*

On December 8, 2023, the Company's 11,857,500 special warrants (note 6) were exercised, at no additional consideration, in return for 11,857,500 common shares.

As at January 31, 2023, The Company has 15,272,500 common shares outstanding (October 31, 2023 – 3,415,000).

### 5. MINERAL PROPERTIES

#### **Trail Creek mineral property**

On June 21, 2021, the Company entered into an option agreement to acquire 100% interest in six mineral claims covering approximately 1,906.95 hectares, located in the Trail Creek Mining Division, British Columbia, from Geomap Exploration Inc. and Afzaal Pirzada in exchange for:

- (i)** \$85,000 cash - paid \$40,000 on June 21, 2021; \$45,000 was paid on November 16, 2021;
- (ii)** 250,000 common shares of Auric Minerals Corp. - issued on June 21, 2021;
- (iii)** 2.0% net smelter returns ("NSR") royalty on the mineral claims where the Company may purchase 1% for \$1,000,000 at any time;
- (iv)** fund exploration and development at least \$100,000 by October 31, 2024;
- (v)** fund additional exploration and development at least \$200,000 by October 31, 2025.

The fair value of the 250,000 shares of Auric Minerals Corp. was estimated at \$10,000 based on their price of \$0.04 per share, on the date the agreement was signed. The cash payment of \$85,000 and issuance of 250,000 common shares valued at \$10,000 are capitalized accordingly.

The funding requirements under (iv) and (v) have been extended from October 31, 2023 and 2023 to May 31, 2023 and 2024 on November 14, 2022, than extended to October 31, 2023 and 2024 on April 4, 2023 and further extended to October 31, 2024 and 2025 on August 23, 2023

# AURIC MINERALS CORP.

## Notes to the Condensed Interim Financial Statements (unaudited)

(Expressed in Canadian Dollars)

For the three months ended January 31, 2024 and 2023

### 6. WARRANTS

Between March 24, 2021 and October 15, 2021, the Company issued special warrants which entitle the holder to acquire, for no additional consideration, one common share unit from the date that the Company's shares commence trading on a recognized stock exchange. The special warrant is exercisable by the recognized holder at any time after the closing date of the offering for no additional consideration and are deemed exercised on the day following the closing and the third business day after a receipt is issued for a prospectus by the security's regulatory authorities in each of the provinces of Canada where the special warrants are sold qualifying the common shares to be issued upon the exercise or deemed exercise of the special warrants.

On December 8, 2023, the Company's 11,857,500 special warrants were exercised, at no additional consideration, in return for 11,857,500 common shares (note 4).

The following table summarize the movements of the Company's special warrants:

For the three months ended January 31, 2023						
During the period						
Opening Balance	Granted	Exercised	Closing Balance	Date of Issuance	Date of Exercise	Exercise Price and weighted average exercise price (C\$)
7,405,000	-	7,405,000	-	04-May-21	08-Dec-23	0.02
3,787,500	-	3,787,500	-	01-Jun-21	08-Dec-23	0.04
665,000	-	665,000	-	15-Oct-21	08-Dec-23	0.10
11,857,500	-	11,857,500	-			0.03

# **AURIC MINERALS CORP.**

## **Notes to the Condensed Interim Financial Statements (unaudited)**

(Expressed in Canadian Dollars)

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**For the three months ended January 31, 2024 and 2023**

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### **7. RELATED PARTY TRANSACTIONS**

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of members of the Board of Directors.

As at January 31, 2023, the Company owed \$6,986 (October 31, 2023 - \$6,986) for reimbursements owed to the Directors of the Company. The amount owing is unsecured, non-interest bearing, and due on demand.

The Company paid \$4,500 director fees to two directors during the three months period ended January 31, 2023 (January 31, 2023 - \$2,000).

### **8. LOAN TO RELATED PARTY**

As at January 31, 2024, the Company had an outstanding loan of \$74,500 (October 31, 2023 - \$59,000) from a Director of the Company. The amount owing is unsecured, non-interest bearing, and due on October 31, 2024.