

**GOLD DIGGER RESOURCES INC.**

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND 2023**

**(Expressed in Canadian Dollars)**

## **Management's Comments on Unaudited Condensed Interim Consolidated Financial Statements**

The accompanying unaudited Condensed Interim Financial Statements of Gold Digger Resources Inc. for the three months ended March 31, 2024 and 2023 have been prepared by management, reviewed by the Audit Committee and approved by the Board of Directors of the Company. In accordance with National Instrument 51-102, Continuous Disclosure Obligations of the Canadian Securities Administrators, the Company herewith discloses that the accompanying unaudited Condensed Interim Financial Statements have not been reviewed by an auditor.

**GOLD DIGGER RESOURCES INC.**

**Condensed Interim Statement of Financial Position (unaudited)**

(Expressed in Canadian dollars)

	As at March 31, 2024	As at December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 310,798	\$ 347,504
Sales tax receivable	18,903	16,937
Prepaid expenses	12,072	13,505
<b>TOTAL ASSETS</b>	<b>\$ 341,773</b>	<b>\$ 377,946</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	\$ 14,753	\$ 9,901
Total liabilities	14,753	9,901
<b>Equity</b>		
Share capital (note 7)	1,295,243	1,291,243
Warrants (note 7)	521	521
Contributed surplus (note 7)	130,496	109,160
Accumulated deficit	(1,099,240)	(1,032,879)
Total equity	327,020	368,045
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 341,773</b>	<b>\$ 377,946</b>

**Going concern (note 1)**

**Commitments and contingencies (notes 5 and 10)**

*The accompanying notes are an integral part of these financial statements.*

Approved by the Board

Signed:

"Allan Bezanson", Director

Signed:

"Greg Cameron", Director

**GOLD DIGGER RESOURCES INC.**

**Condensed Interim Statement of Loss and Comprehensive Loss (unaudited)**

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

	<b>2024</b>	<b>2023</b>
<b>Expenses</b>		
General and corporate ( <i>notes 6 and 11</i> )	\$ 45,025	\$ 38,994
Share based payments	21,336	-
<b>Net loss and comprehensive loss for the period</b>	<b>\$ (66,361)</b>	<b>\$ (38,994)</b>
<b>Basic and diluted loss per share (<i>note 8</i>)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Basic and diluted weighted average shares outstanding (<i>note 8</i>)</b>	<b>14,376,778</b>	14,359,000

*The accompanying notes are an integral part of these financial statements.*

**GOLD DIGGER RESOURCES INC.****Condensed Interim Statement of Cash Flows (unaudited)**

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

	2024	2023
<b>Cash flow from operating activities</b>		
Net loss for the period	\$ (66,361)	\$ (38,994)
Items not affecting cash:		
Share based payments	21,336	-
Changes in non-cash working capital:		
Sales tax receivable	(1,966)	14,474
Accounts payable and accrued liabilities	4,852	(643)
Prepaid expenses and deposits	1,433	-
Total cash flows (used in) operating activities	(40,706)	(25,163)
<b>Cash flow from financing activities</b>		
Proceeds from exercise of warrants	4,000	-
Total cash flows from financing activities	4,000	-
<b>Change in cash</b>	(36,706)	(25,163)
<b>Cash, beginning of period</b>	347,504	597,075
<b>Cash, end of period</b>	\$ 310,798	\$ 571,912

*The accompanying notes are an integral part of these financial statements.*

**GOLD DIGGER RESOURCES INC.****Condensed Interim Statement of Changes in Equity (unaudited)**

For the three months ended March 31, 2024 and 2023

(Expressed in Canadian dollars)

	Share capital	Share capital	Warrant s	Contrib uted surplus	Deficit	Total
	#	\$	\$	\$	\$	\$
<b>Balance, December 31, 2022</b>	14,359,000	1,291,243	521	93,910	(789,292)	596,382
Net loss and comprehensive loss for the period	-	-	-	-	(38,994)	(38,994)
<b>Balance, March 31, 2023</b>	14,359,000	1,291,243	521	93,910	(828,286)	557,388
<b>Balance, December 31, 2023</b>	14,359,000	1,291,243	521	109,160	(1,032,879)	368,045
Share based payments	-	-	-	21,336	-	21,336
Exercise of warrants	80,000	4,000	-	-	-	4,000
Net loss and comprehensive loss for the period	-	-	-	-	(66,361)	(66,361)
<b>Balance, March 31, 2024</b>	14,439,000	1,295,243	521	130,496	(1,099,240)	327,020

*The accompanying notes are an integral part of these financial statements.*

## **GOLD DIGGER RESOURCES INC.**

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

March 31 2024

(Expressed in Canadian dollars)

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

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##### **Nature of business**

Gold Digger Resources Inc. (the “Company” or “Golddig”), was incorporated in Canada under the Business Corporations Act (British Columbia) on July 16, 2021 and carries on business in one segment, being the acquisition, exploration and development of mineral properties. The Company’s registered and head office is located at 595 Howe St Floor 10<sup>th</sup> Vancouver BC V6C 2T5.

On November 2, 2022 the Company completed an initial public offering (“IPO”) and commenced trading on the Canadian Securities Exchange under the trading symbol “GDIG”.

These financial statements were approved by the board on May 16, 2024.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company’s ability to dispose of its interests on an advantageous basis. The amounts shown as exploration and evaluation assets do not necessarily represent present or future values. Changes in future conditions could require material write-downs to the carrying values of the Company’s assets.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company’s title. Property title may be subject to government licensing requirements or regulations, First Nations claims, unregistered prior agreements, social licensing requirements, unregistered claims, and non-compliance with regulatory and environmental requirements. The Company may also be subject to increases in taxes and royalties, renegotiation of contracts and political uncertainties.

##### **Going concern assumption**

These financial statements are prepared in accordance with International Financial Reporting Standards with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations in the foreseeable future.

These financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to obtain adequate financing. Changes in future conditions could require material write-downs to the carrying value of the exploration and evaluation assets. Such adjustments could be material. The Company has incurred a net loss of \$66,361 (three months ended March 31, 2023 - \$38,994) for the period ended March 31, 2024 and has an accumulated deficit of \$1,099,240 (2023 - \$1,032,879) and a working capital surplus of \$327,020 (December 31 - 2023 - \$368,045) as at March 31, 2024.

The recoverability of the costs incurred to date on exploration and evaluation assets is dependent upon the existence of economically recoverable reserves, maintaining title and beneficial interest in the properties, the ability of the Company to obtain the necessary financing to complete the exploration and development of its properties and upon future profitable production or proceeds from the disposition of the properties and deferred exploration expenditures. The Company will periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future.

## **GOLD DIGGER RESOURCES INC.**

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

March 31 2024

(Expressed in Canadian dollars)

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## **2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE**

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### **Basis of presentation**

These financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) and its interpretations adopted by the International Accounting Standards Board (“IASB”) and in accordance with IAS 34, Interim Financial Reporting (“IAS 34”).

These financial statements have been prepared on a historical cost basis, except for certain financial instruments carried at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

These financial statements have been prepared on the basis of IFRS standards that are published at the time of preparation and that are effective for the Company’s reporting date.

### **Functional currency**

The presentation currency of the Company and the functional currency of the Company is the Canadian dollar.

### **Critical judgments and estimation uncertainties**

The preparation of financial statements in conformity with IFRS requires the Company’s management to make judgments, 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 and these differences could be material.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

- **Going Concern**

The assessment of the Company’s ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

- **Income, value added, withholding and other taxes**

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company’s provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company’s income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company’s interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.



## **GOLD DIGGER RESOURCES INC.**

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

March 31 2024

(Expressed in Canadian dollars)

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#### **2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE (continued)**

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- Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based and performance-based share awards are determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- Contingences (note 11)

#### **3. SIGNIFICANT ACCOUNTING POLICIES**

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These financial statements reflect the accounting policies described in Note 3 to the 2023 Audited Consolidated Financial Statements and accordingly, should be read in conjunction with the 2023 Audited Consolidated financial Statements and the notes thereto.

#### **4. CAPITAL MANAGEMENT**

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The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The capital of the Company consists of share capital, warrants, contributed surplus and options. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged during the period ended March 31, 2024. The Company is not subject to any externally imposed capital requirements.

## GOLD DIGGER RESOURCES INC.

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

March 31 2024

(Expressed in Canadian dollars)

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## 5. EXPLORATION AND EVALUATION EXPENDITURES

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### Regnault Project

On July 23, 2021, the Company entered into an option agreement with the right to acquire a 100% interest in the Regnault Property (the "Project") under the following terms.

- 1) The Company shall make a cash payment of \$25,000 30 days after signing the agreement (paid);
- 2) Issue of 1,200,000 common shares to the Optionor on or before the Company's shares are listed on a stock exchange (issued on November 2, 2022 valued at \$300,000);
- 3) If the Company exercises the option and acquires 100% interest in the Project, the Optionor is entitled to a 2% Net Smelter Returns royalty, payable upon the commencement of commercial production. The Company will have the right to purchase a 1% Net Smelter Returns royalty upon a payment of \$2,000,000 to the optionor.

There were no expenditures on the Project during the three months ended March 31, 2024 and 2023.

## 6. RELATED PARTY TRANSACTIONS AND BALANCES

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- (a) Compensation of key management personnel

Key management includes members of the board of directors, the Chief Executive Officer and the Chief Financial Officer. The aggregate value of transactions relating to key management personnel and entities over which they have control or significant influence were as follows for the three months ended March 31, 2024 and 2023:

	2024	2023
CFO Consulting fees (i)	\$ 9,000	\$ 9,000
CEO Consulting fees (ii)	17,500	15,000
Share based payments to officers and directors	21,336	-
	<b>\$ 47,836</b>	<b>\$ 24,000</b>

- (i) The Company was charged \$9,000 in Q1 2024 (Q1 2023 - \$9,000) fees by CFO Advantage Inc., a Company controlled by the CFO, for management fees. As at March 31, 2024, \$nil (December 31, 2023 - \$nil) is owing and included in accounts payable.
- (ii) The Company was charged \$17,500 in Q1 2024 (Q1 2023 - \$17,500) for management fees by 2706971 Ontario Inc., a Company controlled by the CEO, for management fees. As at March 31, 2024, \$nil (December 31, 2023 - \$nil) is owing and included in accounts payable.

## 7. SHARE CAPITAL

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### a) Shares authorized

The Company is authorized to issue an unlimited number of common shares without nominal or par value.

## GOLD DIGGER RESOURCES INC.

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

March 31 2024

(Expressed in Canadian dollars)

#### 7. SHARE CAPITAL (continued)

##### b) Common shares issued and outstanding

As at March 31, 2024, 14,439,000 common shares were issued and outstanding.

Details of shares issued for the three months ended March 31, 2024 are as follows (no shares issued in 2023):

- (i) The Company issued 80,000 common shares on the exercise of 80,000 warrants as an exercise price of \$0.05 per common share.

##### c) Share purchase warrants

Summary of warrants outstanding as at March 31, 2024:

# Outstanding	Grant Date Fair Value	Exercise Price	Expiry Date	Weighted average remaining life
5,129,000	\$ 521	\$ 0.05	Aug 2024	0.34

##### d) Stock options

Incentive stock options are governed by the Company's stock option plan (the "Plan") approved by the Company's directors on April 29, 2022. The purpose of the Plan is to offer to the Company's directors, officers, employees and consultants the opportunity to acquire a proprietary interest in the Company, thereby providing an incentive to such persons to promote the best interests of the Company, and to provide the Company with the ability to attract qualified persons as directors, officers and employees. The aggregate maximum number of options which may be granted under the Plan at any one time is 10% of the number of common shares outstanding at the time of grant.

On September 18, 2023, the Company issued 50,000 options to an officer of the Company exercisable for a period of five years at an exercise price of \$0.55 per option. The fair value of the options was estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions: current share price \$0.55, expected volatility of 137%; expected dividend yield of 0%; risk-free interest rate of 4.04%; and expected life of 5 years. The options were valued at \$24,400. 50% of the options vested on the date of grant, and 50% will vest one year from the date of grant. Share compensation of \$3,050 was recognized during the three months ended March 31, 2024, based on the portion that vested.

On February 21, 2024, the Company issued 84,658 options to a director of the Company exercisable for a period of five years at an exercise price of \$0.35 per option. The fair value of the options was estimated on the date of the grant using the Black-Scholes option pricing model with the following assumptions: current share price \$0.25, expected volatility of 137%; expected dividend yield of 0%; risk-free interest rate of 3.61%; and expected life of 5 years. The options were valued at \$18,286 and vested on the date of grant.

Summary of options outstanding as at March 31, 2024:

Outstanding	Grant Date Fair Value	Exercise Price	Expiry Date	Remaining life
#	\$	\$		
338,632	55,342	0.35	April 29, 2027	3.07
270,000	38,568	0.25	Nov. 2, 2024	0.59
50,000	24,400	0.55	Sept. 18, 2028	4.47
84,658	18,286	0.35	Feb. 21, 2029	4.89

The weightage average remaining life of the options is 2.48 years. The weighted average exercise price of the options is \$0.33.

## **GOLD DIGGER RESOURCES INC.**

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

March 31 2024

(Expressed in Canadian dollars)

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#### **8. LOSS PER COMMON SHARE**

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The warrants and options outstanding were excluded from the computation of diluted loss per share in 2024 and 2023 because their impact was anti-dilutive.

#### **9. FINANCIAL RISK FACTORS**

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The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures during the three months ended March 31, 2024.

##### **Credit risk**

The Company's credit risk is primarily attributable to cash. The Company has no significant concentration of credit risk arising from operations. Cash is held with reputable financial institutions, from which management believes the risk of loss to be remote. Management believes that the credit risk concentration with respect to these items is remote.

##### **Liquidity risk**

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2024, the Company had a cash balance of \$310,798 (2023 - \$347,504) to settle current liabilities of \$14,753 (2023 - \$9,901).

##### **Market risk**

###### **(a) Interest rate risk**

The Company has cash balances and no long-term debt. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

###### **(b) Foreign exchange risk**

The Company's functional currency is the Canadian dollar and all major purchases are transacted in Canadian dollars. Management believes the foreign exchange risk is negligible and therefore does not hedge its foreign exchange risk.

The Company does not hold balances in foreign currencies to give rise to exposure to foreign exchange risk.

###### **(c) Price risk**

The Company is exposed to price risk with respect to commodity prices. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity.

##### **Fair value of financial assets and liabilities**

The Company measures its cash, amounts receivable and accounts payable and accrued liabilities, at amortized cost.

As at March 31, 2024, the fair values of the Company's financial instruments approximate their carrying values, given their short-term nature.

#### **10. COMMITMENTS AND CONTINGENCIES**

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(a) See note 5 for additional commitments and contingencies on evaluation and exploration assets.

(b) The Company's mining and exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company conducts its operations so as to protect public health and the environment and believes its operations are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

## GOLD DIGGER RESOURCES INC.

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

March 31 2024

(Expressed in Canadian dollars)

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#### 11. GENERAL AND CORPORATE EXPENSES

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Three months ended March 31,	2024	2023
Management compensation ( <i>note 6</i> )	\$ 26,500	\$ 24,000
Legal and audit	6,807	6,584
Administrative and general	4,093	6,160
Regulatory	7,625	2,250
	<u>\$ 45,025</u>	<u>\$ 38,994</u>

#### 12. SUBSEQUENT EVENTS

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On May 16, 2024, the Company closed the first tranche of a non-brokered private placement (the "Offering") for aggregate gross proceeds of \$884,599.80 through the sale of 2,527,428 units of the Company ("Units") at a price of \$0.35 per Unit.

Each Unit consists of one common share in capital of the Company (a "Common Share") and one-half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant entitles the holder thereof to purchase one Common Share at an exercise price of \$0.50 for a period of 12 months from the date of issuance.

The Company paid the following finder's fees to certain finders in connection with the first tranche of the Offering: (i) an aggregate cash fee of \$52,647.00; and (ii) an aggregate of 127,120 Common Share purchase warrants of the Company ("Finders Warrants"), with each Finders Warrant exercisable to acquire one Common Share at a price of \$0.50 for a period of 12 months from the date of issuance.