
JKS RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED MAY 31, 2023 AND 2022
(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

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 have been prepared by and are the responsibility of the Company's management and have been approved by the Audit Committee and the Board of Directors.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants Canada for a review of interim financial statements by an entity's auditor.

JKS RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited - Expressed in Canadian Dollars)

	Note	May 31, 2023 \$	August 31, 2022 \$
ASSETS			
Current assets			
Cash		225,539	119,285
Accounts receivable		9,954	-
Deposits	4	63,767	-
Deferred financing costs	6	-	69,007
		299,260	188,292
Reclamation bond		10,267	10,267
Exploration and evaluation asset	5	234,140	36,904
		543,667	235,463
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		1,979	20,989
		1,979	20,989
SHAREHOLDERS' EQUITY			
Share capital	6	853,634	406,750
Reserves	6	27,526	-
Deficit		(339,472)	(192,276)
		541,688	214,474
		543,667	235,463

Nature of operations and going concern (Note 1)

“Gunther Roehlig” Director

“Darien Lattanzi” Director

JKS RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the three and nine months ended May 31, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

		Three months ended		Nine months ended	
		May 31,		May 31,	
		2023	2022	2023	2022
	Note	\$	\$	\$	\$
EXPENSES					
Consulting fees	7	10,500	3,390	22,020	10,170
Transfer agent, filing and listing fees		2,762	307	39,484	307
Foreign exchange (gain)/loss		-	-	205	(28)
Marketing and investor relations	4	25,000	-	36,233	-
Office expenses		433	309	2,934	954
Professional fees	7	8,198	5,641	46,320	16,801
		(46,893)	(9,647)	(147,196)	(28,204)
NET LOSS AND COMPREHENSIVE LOSS					
FOR THE PERIOD					
		(46,893)	(9,647)	(147,196)	(28,204)
NET LOSS PER SHARE – BASIC AND					
DILUTED					
		(0.00)	(0.00)	(0.01)	(0.00)
WEIGHTED AVERAGE NUMBER OF					
SHARES OUTSTANDING					
		21,620,000	10,270,000	19,385,934	10,270,000

JKS RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited - Expressed in Canadian dollars, except for share figures)

	Number of Shares #	Share Capital \$	Subscriptions received \$	Reserves \$	Deficit \$	Total \$
Balance, August 31, 2021	10,270,000	175,400	-	-	(91,591)	83,809
Subscriptions received	-	-	33,000	-	-	33,000
Share issued for cash	-	(230)	-	-	-	(230)
Net loss for the period	-	-	-	-	(28,204)	(28,204)
Balance, May 31, 2022	10,270,000	175,170	33,000	-	(119,795)	88,375
Shares issued for cash, net of issuance costs	4,650,000	231,580	(33,000)	-	-	198,580
Net loss for the period	-	-	-	-	(72,481)	(72,481)
Balance, August 31, 2022	14,920,000	406,750	-	-	(192,276)	214,474
Shares issued for cash, net of issuance costs	6,500,000	419,884	-	27,526	-	447,410
Shares issued for property	200,000	27,000	-	-	-	27,000
Net loss for the period	-	-	-	-	(147,196)	(147,196)
Balance, May 31, 2023	21,620,000	853,634	-	27,526	(339,472)	541,688

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

JKS RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
For the nine months ended May 31, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

	2023	2022
	\$	\$
Operating activities:		
Net loss for the period	(147,196)	(28,204)
Net change in non-cash working capital items:	8	(92,731)
Cash (used in) provided by operating activities	(239,927)	34,979
Investing activities:		
Exploration and evaluation assets acquisition cost	(170,236)	(5,190)
Cash used in investing activities	(170,236)	(5,190)
Financing activities:		
Shares issued for cash	650,000	-
Share subscriptions received in advance	-	33,000
Share issue costs	(133,583)	(230)
Prepaid expenses for initial public offering	-	(18,737)
Loan payable	-	7,500
Cash provided by financing activities	516,417	21,533
Change in cash during the period	106,254	23,118
Cash – beginning of the period	119,285	19,956
Cash – end of the period	225,539	43,074

JKS RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three and nine months ended May 31, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

JKS Resources Inc. (“the Company” or “JKS”) was incorporated under the Business Corporations Act of British Columbia on November 9, 2020. The Company is engaged in the exploration and development of mineral properties in Canada. The Company’s head office is located at 200 - 550 Denman Street, Vancouver, BC, Canada.

These condensed interim financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and satisfaction of liabilities in the normal course of business. At May 31, 2023, the Company had accumulated losses of \$339,472 since its inception and expects to incur further losses in the development of its business. The continuation of the Company is dependent upon obtaining necessary financing to meet its ongoing operational levels of exploration and corporate overhead. Additional funds will be required to enable the Company to continue its operations and there can be no assurance that financing will be available on terms which are acceptable to the Company. These conditions indicate the existence of a material uncertainty that casts significant doubt as to whether the Company can continue as a going concern. These financial statements do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business. Such adjustments could be material.

2. BASIS OF PREPARATION

The Company’s condensed interim financial statements have been presented in conformity with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The condensed interim financial statements do not include all the information required for complete annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”) and therefore should be read together with the audited financial statements for the year ended August 31, 2022.

The Company uses the same accounting policies and methods of computation as detailed in the Company’s audited financial statements for the year ended August 31, 2022.

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

These financial statements were approved by the Board of Directors for issue on July 28, 2023.

JKS RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three and nine months ended May 31, 2023 and 2022
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3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In preparing these condensed interim financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended August 31, 2022.

4. DEPOSITS

During the nine months ended May 31, 2023, the Company entered into a twelve-month investor relations agreement with Maynard Communication Inc., an arm's length party, to provide public relations, marketing and corporate and communication services. A payment of \$100,000 was made upon engagement.

5. EXPLORATION AND EVALUATION ASSET

On January 8, 2021, as amended February 5, 2021 and November 9, 2021, the Company entered into an option agreement (the "Option Agreement") with Dorval Exploration Inc. ("Dorval"), to acquire a 100% interest in the Sowchea property (the "Sowchea Property"). The Sowchea Property is located in Fort St James in the Omineca Mining Division in the Province of British Columbia.

To fully exercise the option and acquire a 100% right, title and interest in and to the Sowchea Property, the Company is required to:

- Pay \$25,000 in cash within five business days of the execution of the Option Agreement (paid in January 2021);
- Pay \$25,000 and issue 200,000 common shares within five business days of the listing date (paid and issued in December 2022);
- Pay \$25,000, issue 500,000 common shares and incur exploration expenditures of \$150,000 on or before 18 months after the listing date; and
- Issue 750,000 common shares and incur exploration expenditures of \$500,000 on or before 28 months after the listing date.

Pursuant to the Option Agreement, Dorval reserved a 1% gross over-riding royalty interest payable ("GORR"). The Company has the option at any time to purchase up to 0.5% GORR, by paying \$1,000,000 in cash to Dorval for the 0.5% GORR.

JKS RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three and nine months ended May 31, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

Below is a summary of the changes in the exploration and evaluation assets during the year ended August 31, 2022 and the nine months ended May 31, 2023:

Sowchea Property	\$
Balance, August 31, 2021	31,714
Exploration costs	5,190
Balance, August 31, 2022	36,904
Acquisition costs - cash	25,000
Acquisition costs - shares	27,000
Exploration costs	145,236
Balance, May 31, 2023	234,140

6. SHARE CAPITAL

- a) **Authorized** – Unlimited common shares without par value.
- b) **Issued and outstanding** – As at May 31, 2023, the Company had 21,620,000 (August 31, 2022 – 14,920,000) common shares issued and outstanding.
- c) **Financings**

Nine months ended May 31, 2023

- On November 30 2022, the Company completed its initial public offering (the “IPO”) by issuing 6,500,000 common shares at a price of \$0.10 per share for total gross proceeds of \$650,000. In connection with the IPO, the Company agreed to pay the agent a cash commission equal to 10% of the proceeds and granted the agent an option to acquire 650,000 common shares of the Company at a price of \$0.10 per share until November 30, 2024. The agent’s options were valued at \$27,526 using the Black-Scholes pricing model, with the following assumptions: risk-free rate of 3.86%, expected life of 2 years, expected volatility of 74.20% and expected dividends of Nil. The agent also received a corporate finance fee of \$35,000 plus GST. Previously incurred deferred financing costs of \$69,007 were re-classified to share issue costs upon completion of the IPO. The Company also incurred cash share issue costs of \$31,833.
- On December 1, 2022, the Company issued 200,000 common shares pursuant to the Sowchea Property option agreement. The common shares were valued at the date of issuance \$27,000.

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three and nine months ended May 31, 2023 and 2022
(Unaudited - Expressed in Canadian Dollars)

Nine months ended May 31, 2022

- Subsequent to May 31, 2022, the Company issued 4,650,000 units at a price of \$0.05 per unit for gross proceeds of \$232,500. Each unit is comprised of one common share and one share purchase warrant, with each share purchase warrant entitling the holder to acquire one additional share at a price of \$0.10 per share until June 10, 2025. As at May 31, 2022, the Company had received subscriptions of \$33,000 and incurred share issue costs of \$230 related to this financing

d) Escrowed shares

As at May 31, 2023, 1,500,000 common shares of the Company were held in escrow. The Company entered into an escrow agreement, whereby 2,000,000 common shares will be held in escrow to be released pro-rata to the shareholders as to 10% on the listing date with the remaining escrow shares being released in six equal tranches of 15% every six months for a period of 36 months. The escrow shares may not be transferred, assigned or otherwise dealt with without the consent of the regulatory authorities.

e) Options

A summary of the changes in options is presented below:

	Number of options	Weighted average exercise price
		\$
Balance, August 31, 2021	-	-
Balance, August 31, 2022	-	-
Issued	650,000	0.10
Balance, May 31, 2023	650,000	0.10
Exercisable, May 31, 2023	650,000	0.10

The following options were outstanding as at May 31, 2023:

Outstanding	Exercisable	Exercise price	Expiry date	Weighted average remaining life (in years)
		\$		
650,000	650,000	0.10	November 30, 2024	1.50
650,000	650,000	0.10		1.50

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
For the three and nine months ended May 31, 2023 and 2022
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f) Warrants

A summary of the changes in warrants is presented below:

	Number of warrants	Weighted average exercise price
		\$
Balance, August 31, 2021	-	-
Issued	4,650,000	0.10
Balance, August 31, 2022	4,650,000	0.10
Balance, May 31, 2023	4,650,000	0.10

The following warrants were outstanding as at May 31, 2023:

Outstanding	Exercise price	Expiry date	Weighted average remaining life (in years)
	\$		
4,650,000	0.10	June 10, 2025	2.03
4,650,000	0.10		2.03

7. RELATED PARTY TRANSACTIONS

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party transactions not disclosed elsewhere in these financial statements are listed below.

The Company incurred charges to directors and officers, or to companies associated with these individuals during the three and nine months ended May 31, 2023 and 2022 as follows:

	Three months ended May 31,		Nine months ended May 31,	
	2023	2022	2023	2022
	\$	\$	\$	\$
Accounting fees	2,999	408	12,150	7,638
Consulting fees	3,000	3,390	9,520	10,170
	5,999	3,798	21,670	17,808

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NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
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Key management of the Company includes the CEO, the CFO and the directors. During the three and nine months ended May 31, 2023, compensation paid to key management consisted of consulting fees paid to a company owned by a director, and accounting fees charged by the CFO presented above.

During the period ended August 31, 2021, the Company entered into a consulting agreement with a company owned by a director for \$1,130 per month plus a one-time signing bonus of \$1,000.

8. SUPPLEMENTAL CASH FLOW INFORMATION

The net change in non-cash operating working capital balances for the nine months ended May 31, 2023 and 2022 consisted of the following:

	Nine months ended May 31,	
	2023	2022
	\$	\$
Receivables	(9,954)	-
Deposits	(63,767)	-
Accounts payable and accrual liabilities	(19,010)	34,979
	(92,731)	34,979

9. SEGMENTED INFORMATION

The Company is operated in one segment being the mineral exploration and development activities. All of the Company's assets are located in Canada.