BAYRIDGE RESOURCES CORP.

(previously Aspen Resources Corp.)

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTH PERIOD ENDED SEPTEMBER 30, 2023 AND THE PERIOD FROM OCTOBER 7, 2022 (DATE OF INCORPORTION) TO DECEMBER 31, 2022

(Expressed in Canadian dollars)

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NOTICE – NO Auditor Review of the Interim Financial Statements

The accompanying unaudited interim consolidated financial statements of Bayridge Resources Corp., ("the Company"), for the nine months ended September 30, 2023, have been prepared by the management and have not been the subject of a review by the Company's external independent auditors.

Bayridge Resources Corp. (previously Aspen Resources Corp.)
Statements of Financial Position
(expressed in Canadian Dollars)

		September 30, 2023		December 31, 2022
ASSETS				
Current				
Cash	$	490,882	$	404,708
GST receivables		4,923		219
		495,805		404,927
Mineral property (Note 5)		33,000		-
	$	528,805	$	404,927
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	19,738	$	192,000
Due to related parties (Note 7)		10,000		3,000
		29,738		195,000
Shareholders' equity				
Share capital (Note 6)		644,093		140,000
Shares or special warrants subscribed (Note 6)		175,776		116,499
Deficit		(320,802)		(46,572)
		499,067		209,927
	$	528,805	$	404,927

Nature and continuance of operations (Note 1)
Subsequent event (Note 9)

These financial statements were approved by the Board of Directors on November 28, 2023.

"Gurcharn Deol"
Director – Gurcharn Deol

"Brijender Jassal"
Director – Brijender Jassal

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

Bayridge Resources Corp. (previously Aspen Resources Corp.)
Statements of Loss and Comprehensive Loss
(expressed in Canadian Dollars)

	Three Month Period Ended September 30, 2023	Nine Month Period Ended September 30, 2023	Period from October 7, 2022 (Date of Incorporation) to December 31, 2022
Expenses			
Accounting and audit fees	$ 15,253	$ 36,253	$ 8,000
Consulting fees (Note 7)	3,400	9,400	3,000
Exploration expenses (Note 5)	9,816	166,464	-
Filing fees	17,650	17,650	-
Legal fees	17,659	41,769	5,204
Office and administration	1,287	2,430	368
Stock-based compensation (Notes 6 and 7)	-	-	30,000
Travel	152	266	-
	$ (65,217)	$ (274,232)	$ (46,572)
Loss and Comprehensive loss before other items	(65,217)	(274,232)	(46,572)
Other Items			
Interest income	2	2	-
Loss and Comprehensive loss for the period	$ (65,215)	$ (274,230)	$ (46,572)
Loss per common share – basic and diluted	$ (0.00)	$ (0.02)	$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	19,083,094	15,401,763	4,058,909

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

Bayridge Resources Corp. (previously Aspen Resources Corp.)
Statements of Changes in Shareholders' Equity
(expressed in Canadian Dollars)

	Number of Shares		Share Capital		Shares or Special Warrants Subscribed		Deficit		Shareholders' Equity
Balance October 7, 2022	**100**	**$**	**1**	**$**	**-**	**$**	**-**	**$**	**1**
Private placements - net	6,999,966		139,999		-		-		139,999
Shares subscriptions received in advance	-		-		116,499		-		116,499
Loss for the period	-		-		-		(46,572)		(46,572)
Balance December 31, 2022	**7,000,066**		**140,000**		**116,499**		**(46,572)**		**209,927**
Private placements - net	11,683,028		496,093		(116,499)		-		379,594
Special warrants subscribed - net	-		-		175,776		-		175,776
Shares issued pursuant to property acquisition	400,000		8,000		-		-		8,000
Loss for the period	-		-		-		(274,230)		(274,230)
Balance September 30, 2023	**19,083,094**	**$**	**644,093**	**$**	**175,776**	**$**	**(320,802)**	**$**	**499,067**

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

Bayridge Resources Corp. (previously Aspen Resources Corp.)
Statements of Cash Flows
(expressed in Canadian Dollars)

	Three Month Period Ended September 30, 2023	Nine Month Period Ended September 30, 2023	Period from October 7, 2022 (Date of Incorporation) to December 31, 2022
Cash flows from (used in)			
Operating activities			
Loss for the period	$ (65,215)	$ (274,230)	$ (46,572)
Items not affecting cash:			
Stock-based compensation	-	-	30,000
	(65,215)	(274,230)	(16,572)
Changes in non-cash working capital items:			
GST receivables	(2,668)	(4,704)	(219)
Accounts payable and accrued liabilities	(37,438)	11,738	8,000
Due to related parties	7,000	7,000	3,000
Cash used in operating activities	(98,321)	(260,196)	(5,791)
Investing activities			
Mineral property	-	(25,000)	-
Cash used in investing activities	-	(25,000)	-
Financing activities			
Proceeds from (return of) refundable deposits	-	(184,000)	184,000
Proceeds from issuance of shares and units	-	387,672	109,999
Share and special warrant issuance costs	-	(16,477)	-
Special Warrants	184,175	184,175	-
Shares issued on incorporation	-	-	1
Shares or special warrants subscriptions received in advance	(159,275)	-	116,499
Cash provided by financing activities	24,900	371,370	410,499
Change in cash during the period	(73,421)	86,174	404,708
Cash, beginning of the period	564,303	404,708	-
Cash, end of the period	$ 490,882	$ 490,882	$ 404,708

Supplemental disclosure with respect to cash flows (Note 8)

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Bayridge Resources Corp. (previously Aspen Resources Corp.) (the "Company") was incorporated in British Columbia under the British Columbia Corporations Act on October 7, 2022. The Company's registered office is located at 6th Floor, 905 West Pender Street, Vancouver, BC, V6C 1L6. The Company's year end is December 31.

The Company has changed its name twice since its inception. On May 2, 2023, the Company changed its name from Shock Energy Metals Corp. to Aspen Resources Corp. and on May 30, 2023, from Aspen Resources Corp to Bayridge Resources Corp.

The Company is in the process of exploring its exploration and evaluation properties and has not determined whether these properties contain mineral reserves which are economically recoverable. The recoverability of amounts shown for resource properties and related deferred costs is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and future profitable production from mining properties or proceeds from their disposition.

At September 30, 2023, the Company had a working capital of $466,067 (December 31, 2022 – $209,927), had not yet achieved profitable operations and has an accumulated deficit of $320,802 (December 31, 2022 - $46,572) since its inception. During the period ended September 30, 2023, the Company recorded a loss of $274,230 (December 31, 2022 - $46,572) and expects to incur further losses in the development of its business. These circumstances comprise a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern is dependent upon its ability to generate future profitable operations and/or to obtain the necessary financing to conduct its planned work programs on its mineral properties, meet its on-going levels of corporate overhead and commitments, keep its properties in good standing and discharge its liabilities as they come due. These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge liabilities in the normal course of business. Although the Company presently has sufficient financial resources to undertake its currently planned work programs and has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. Accordingly, the financial statements do not give effect to adjustments, if any, 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 in other than the normal course of business and at amounts which may differ from those shown in these financial statements.

The Company's business financial condition and results of operations may be further negatively affected by economic and other consequences from the conflict in the Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts of the pandemic and the conflict in Ukraine to the business to be limited, the indirect impacts on the economy and on the industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing. There can be no assurance that the Company will not be impacted by adverse consequences that may be brought about on its business, results of operations, financial position and cash flows in the future.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These financial statements including comparatives, have been prepared 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").

(b) Basis of preparation

These financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. All financial information in these financial statements is presented in Canadian dollars which is the functional currency of the Company. The accounting policies set out below have been applied consistently by the Company.

2. BASIS OF PRESENTATION (CONTINUED)

(c) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make estimates, assumptions and judgments that affect the application of policies and reported amounts of assets and liabilities and disclosures of assets and liabilities at the date of the financial statements, along with reported amounts of expenses and net losses during the period. Actual results may differ from these estimates, and as such, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognized in the period in which the estimates are revised and in any future periods affected. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statements of financial position reporting date that could result in a material adjustment to the carrying value of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Judgments:

- The Company capitalizes acquisition costs on its statements of financial position, and evaluates these amounts at least annually for indicators of impairment. The Company is required to conduct this review on an annual basis and it requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is performed, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount;
- Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects; and
- The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and to meet its liabilities for the ensuing year, involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The factors considered by management are disclosed in Note 1.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Cash

Cash includes cash held in banks.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) Exploration and evaluation assets

Acquisition costs of exploration and evaluation assets are capitalized to the statements of financial position and exploration expenditures are expensed as incurred through profit or loss. Once a project has been established as commercially viable and technically feasible, exploration and evaluation assets are reclassified as tangible assets and exploration expenditures are capitalized. When production is attained these costs will be amortized using the unit of production method based upon estimated proven recoverable reserves. When deferred expenditures on individual producing properties exceed the estimated net realizable value, the properties are written down to the estimated value. Costs relating to properties abandoned are written off when the decision to abandon is made. Any excess of a recovery over the book value is charged to profit or loss.

The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development, and future profitable production or proceeds from the disposition thereof. Exploration costs that are not attributable to a specific property are charged to operations as general exploration expense. Exploration costs incurred prior to the Company acquiring the legal rights to a property are charged to operations as general exploration expense.

The Company is in the process of exploring its exploration and evaluation assets. Management reviews the carrying value of the exploration and evaluation assets on a periodic basis and will recognize impairment in value based upon current exploration and development results, the prospect of further work being carried out by the Company, the assessment of future probability of profitable revenues from the property or from the sale of the property. Amounts shown for properties represent costs incurred net of write-downs and recoveries, and are not intended to represent present or future values. The ultimate recovery of such capitalized costs is dependent upon the development of economic ore reserves or the sale of mineral rights.

(c) Impairment of non-financial assets

At the end of each reporting period the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior periods. A reversal of an impairment loss is recognized immediately in profit or loss.

(d) Earnings (loss) per share

Basic earnings (loss) per share is computed by dividing net earnings (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting period. For the period ended September 30, 2023, 9,017,028 (December 31, 2022 - nil) warrants were not included in the calculation of diluted earnings (loss) per share as their inclusion was anti-dilutive.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Common shares

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in private placements to be the more easily measurable component of unit offerings and the common shares are valued at their fair value. The balance, if any, is allocated to any attached warrants or other features. Any fair value attributed to warrants is recorded as reserves.

(f) Share-based payments

The Company grants stock options to directors, officers, employees and service providers. The board of directors grants such options for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to fair value measured on the day preceding the date the options were granted.

The fair value of the options granted to employees is measured at grant date, using the Black-Scholes option pricing model, and is recognized immediately that the employees earn the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

The fair value of the options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used. The value of the goods or services is recorded at the earlier of the vesting date, or the date the goods or services are received.

The fair value of options is determined using the Black-Scholes option pricing model which incorporates all market vesting conditions. The number of options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. Any consideration received on the exercise of stock options together with the related portion of reserves is credited to share capital.

(g) Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of mining properties and other assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates is capitalized to mining assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets. The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss. The costs of rehabilitation projects that were included in the rehabilitation provision are recorded against the provision as incurred. The cost of ongoing current programs to prevent and control pollution is charged against profit and loss as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Financial assets/liabilities	Classification
Cash	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

(ii) Measurement

Financial assets and liabilities carried at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recognized in profit or loss in the period in which they arise.

(iii) Impairment of financial assets carried at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition of financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss.

(v) Derecognition of financial liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Agent warrants

Warrants issued to agents in connection with a financing are recorded at fair value using the Black-Scholes option pricing model and charged to share issue costs associated with the offering with an offsetting credit to reserves in shareholders' equity.

(j) Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statements of financial position date, taking into account the risks and uncertainties surrounding the obligation.

(k) Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

(l) Income tax

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is recognized in respect of temporary differences, between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets and liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

(m) New accounting standards interpretations adopted

IAS 1 – Presentation of Financial Statements ("IAS 1"), has been amended to clarify how to classify debt and other liabilities as either current or non-current. The amendment to IAS 1 is effective for the periods beginning on or after January 1, 2023, with early application permitted. The adoption of this standard for the six month period ended June 30, 2023 did not have an impact on the Company.

(n) Adoption of new accounting standards

The Company has performed an assessment of new standards issued by the IASB that not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

(expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL DISCLOSURES

(a) Fair value of financial instruments

As at September 30, 2023 and December 31, 2022, the Company's financial instruments consist of cash, accounts payable and accrued liabilities, and due to related parties.

IFRS requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. IFRS establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS prioritizes the inputs into three levels that may be used to measure fair value.

Level 1: Level 1 applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
Level 2: Level 2 applies to assets or liabilities for which there are inputs other than quoted prices that are observable for the net asset or liability such as quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which significant inputs are observable or can be derived principally from, or corroborated by, observable market data.

Level 3: Level 3 applies to assets or liabilities for which there are unobservable inputs to the valuation methodology that are significant to the measurement of the fair value of the assets or liabilities.

	Level 1	Level 2	Level 3	Total
September 30, 2023				
Cash	**$ 490,882**	**$ -**	**$ -**	**$ 490,882**
	$ 490,882	**$ -**	**$ -**	**$ 490,882**
December 31, 2022				
Cash	$ 404,708	$ -	$ -	$ 404,708
	$ 404,708	$ -	$ -	$ 404,708

As at September 30, 2023 and December 31, 2022, the Company believes that the carrying values of accounts payable and accrued liabilities and due to related parties approximate their fair values because of their nature and relatively short maturity dates or durations. During the periods ended September 30, 2023 and December 31, 2022, there were no transfers between levels of the fair value hierarchy.

(b) Risk Management

Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligation resulting in financial loss to the Company. Credit risk is primarily related to the Company's cash balance. To minimize this risk, cash has been placed with major Canadian financial institutions. The maximum exposure to credit risk for cash is $490,882 (December 31, 2022 – $404,708).

Interest Rate Risk

The Company is not exposed to significant interest rate risk due to the short-term maturity of its monetary assets and liabilities.

(expressed in Canadian dollars)

4. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND CAPITAL DISCLOSURES (CONTINUED)

(b) Risk Management (Continued)

Liquidity Risk

The Company ensures that there is sufficient capital in order to meet annual business requirements, after taking into account administrative, property holding and exploration budgets, and cash holdings. As the Company does not have operating cash flows, the Company has relied primarily on equity financings and loans from related parties to meet its capital requirements and current financial obligations (Note 1).

Commodity Price Risk

The Company's ability to raise capital to find exploration or development activities and the determination of impairment of exploration and evaluation assets is subject to risk associated with fluctuations in the market prices of lithium.

(c) Capital management

The Company considers its capital structure to include working capital and shareholders' equity. Management's objective is to ensure that there is sufficient capital to minimize liquidity risk and to continue as a going concern. Although the Company has been successful in the past in obtaining financing through the sale of equity securities, there can be no assurance that the Company will be able to obtain adequate financing in the future, or that the terms of such financings will be favourable. The Company's share capital is not subject to any external restriction and the Company did not change its approach to capital management during the period.

5. MINERAL PROPERTY

The Company has capitalized the following acquisition costs during the period ended September 30, 2023.

	Sharpe Lake Ontario $	Total $
Balance, October 7, 2022 and December 31, 2022	-	-
Property acquisition	33,000	33,000
Balance, September 30, 2023	33,000	33,000

The Company has expensed the following exploration expenditures during the period ended September 30, 2023.

	Sharpe Lake Ontario $	Total $
Expense reimbursement	142,148	142,148
Geological consulting	16,525	16,525
Helicopter	6,121	6,121
Travel	1,670	1,670
Balance, September 30, 2023	166,464	166,464

(a) Sharpe Lake Property, Ontario

On February 23, 2023 and amended on March 27, 2023 and July 18, 2023 ("Amended Effective Date"), the Company entered into a purchase option agreement with Mosam Venture Inc. ("Mosam") to acquire a one hundred percent (100%) undivided interest in the un-patented twelve (12) mining claims in Ontario.

5. MINERAL PROPERTY (CONTINUED)

(a) Sharpe Lake Property, Ontario (Continued)

As consideration for the property, the Company is required to issue a total of 400,000 common shares and make cash payments of $1,100,000. The Company will also pay up to maximum amount of $150,000 for all bona fide out of pocket expenses incurred on property by Mosam ($142,148 paid). The breakdown of payments and issuance of common shares are follows:

- Pay $25,000 upon signing the agreement (paid);
- Issue 400,000 common shares upon signing the agreement (issued with a fair value of $8,000).
- Pay $75,000 upon the Company's shares being listed for trading on a Canadian stock exchange (the "Listing"). $75,000 has been paid subsequent to September 30, 2023.
- Pay $250,000 on the date that is 13 months following the date of Listing; and
- Pay $750,000 on the 2nd anniversary of the date of Listing.

If the Listing does not occur within 6 months following the Amended Effective Date of the agreement, Mosam will have the right to terminate the agreement upon giving notice of termination to the Company.

Upon exercise of the option, Mosam will retain 3% production royalty.

6. SHARE CAPITAL

(a) Authorized

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

(b) Issued and outstanding

During the period ended September 30, 2023, the Company completed the following transactions:

(a) In February, the Company issued 400,000 shares at a fair value of $0.02 per share for a total value of $8,000 pursuant to a mineral property agreement (Note 5).

(b) In March 2023, the Company issued 2,666,000 shares at $0.02 for gross proceeds of $53,320.

(c) In March 2023, the Company issued 9,017,028 units at $0.05 for gross proceeds of $450,851. Each unit consists one share and one share purchase warrant. Each warrant will entitle the holder to purchase a share for a period of 24 months from the date of Listing at an exercise price of $0.10 per common share. The share issuance costs were $8,078.

(d) On July 4, 2023 (the "Closing Date") the Company issued 1,841,750 special warrants ("Special Warrant") at a price of $0.10 per Special Warrant for gross proceeds of $184,175. Each Special Warrant entitles the holder to acquire, without further payment, one common share of the Company and one common share purchase warrant. Each common share purchase warrant is exercisable into one common share of the Company at a price of $0.20 for two years from the Listing date. Each Special Warrant will automatically convert at 5:00 PM on the date that is the earlier of (a) the third business day after the date on which a receipt for a final prospectus is received, and (b) the date that is six months following the Closing Date. The Company incurred $8,399 in special warrant issuance costs and net proceeds received in the amount of $175,776 classified as shares or special warrants subscribed on the statements of financial position.

(expressed in Canadian dollars)

6. SHARE CAPITAL (CONTINUED)

(b) Issued and outstanding (continued)

During the period ended December 31, 2022, the Company completed the following transactions:

(a) On incorporation, the Company issued 100 shares at $0.005 per share for a total value of $1.

(b) In October 2022, the Company issued 2,000,000 shares at $0.005 for gross proceeds of $10,000. The fair value of the shares was determined to be $0.02 and the Company recognized share-based compensation of $0.015 per share for a total of $30,000.

(c) In November 2022, the Company issued 4,999,966 shares at $0.02 for gross proceeds of $99,999.

(c) Warrants

A summary of the Company's issued and outstanding share purchase warrants as at September 30, 2023 and December 31, 2022 and changes during those periods are presented below:

	Warrants Outstanding	**Weighted Average Exercise Price $**
Balance, October 7, 2022 and December 31, 2022	-	-
Granted	9,017,028	0.10
Balance, September 30, 2023	**9,017,028**	**0.10**

At September 30, 2023, the following warrants were outstanding and exercisable:

Number of warrants	**Exercise Price**	**Expiry Date**	**Weighted Average Remaining Contractual Life**
9,017,028	$0.10	*	-
9,017,028			-

* Holders may exercise their warrants for a period of 24 months from the date of listing.

7. RELATED PARTY TRANSACTIONS

Key Management

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include the Company's executive officers and Board of Director members.

The aggregate values of transactions relating to key management personnel were as follows:

	September 30, 2023 $	December 31, 2022 $
Consulting fees	**9,400**	3,000
Accounting fees	**10,000**	-
Stock-based compensation (Note 6)	-	30,000

7. RELATED PARTY TRANSACTIONS (CONTINUED)

(a) During the period ended September 30, 2023, the Company incurred consulting fees of $9,400 (December 31, 2022 - $3,000) with a company owned by the CEO.

(b) During the period ended September 30, 2023, the Company incurred accounting fees of $10,000 (December 31, 2022 - $nil) with a company owned by the CFO.

(c) As at September 30, 2023, $10,000 (December 31, 2022 - $3,000) was owing to a company controlled by the CFO. The amounts due to the related party are unsecured and without interest or stated terms of repayment.

8. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

(a) During the period ended September 30, 2023, the Company issued 400,000 common shares with a fair value of $8,000 pursuant to mineral property agreement (Note 5).

(b) During the period ended September 30, 2023, $116,499 of proceeds received prior to December 31, 2022 was applied against private placements closed during the period.

(c) The cash paid for interest and for taxes were $nil for the periods ended September 30, 2023 and December 31, 2022.

9. SUBSEQUENT EVENT

The Company’s common shares have been approved for listing on the Canadian Securities Exchange (the “**CSE**”) and will commence trading on Monday, November 27, under the stock ticker symbol “**BYRG**” at market open.