



(an exploration stage company)

Condensed Interim Consolidated Financial Statements

(Expressed in Canadian dollars)

**As at and for the Three Months Ended
May 31, 2023 and 2022**

NOTICE TO READERS REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), if an auditor has not performed a review of the unaudited interim consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated condensed financial statements of the Company have been prepared by and are the responsibility of management.

The Statements for the three months ended May 31, 2023 and 2022 have not been reviewed by the Company's auditors.



(an exploration stage company)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying condensed interim consolidated financial statements of Waseco Resources Inc. [the "Company"] are the responsibility of the management and have been approved by the Board of Directors of the Company.

The condensed interim consolidated financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies as disclosed in the notes to the condensed interim consolidated financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the consolidated financial statements have been prepared fairly, in all material respects and are in accordance with International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

The Board of Directors is responsible for reviewing and approving the condensed interim consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the condensed interim consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

As the Company is a Venture Issuer (as defined under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings) ("NI 52-109"), the Company and Management are not required to include representations relating to the establishment and/or maintenance of disclosure controls and procedures ("DC&P") and/or ICFR, as defined in NI 52-109.

"Richard Williams"
President & Chief Executive Officer

"Jim O'Neill"
Chief Financial Officer

As at	May 31, 2023	February 28, 2023
Assets		
Current Assets		
Cash	\$ 15,498	\$ 650
HST recoverable	2,011	2,011
Total assets	\$ 17,509	\$ 2,661
Liabilities		
Current Liabilities		
Trade payables and accruals	\$ 106,813	\$ 103,711
Advances payable (Note 6)	482,101	487,021
Shareholder loans (Note 7)	5,000	5,000
Total current liabilities	593,914	595,732
Non-Current Liabilities		
Shareholders' loans (Note 7)	20,008	-
Exploration deposits (Note 8)	51,454	51,454
Total non-current liabilities	71,462	51,454
Total liabilities	664,276	647,186
Deficiency in Assets		
Share capital (Note 9)	6,473,483	6,473,483
Share payment reserve	73,418	73,418
Deficit	(7,194,768)	(7,191,426)
Total shareholders' equity	(646,767)	(644,525)
Total liabilities and shareholder equity	\$ 17,509	\$ 2,661

Nature of Operations and Going Concern (Note 1)

Approved by the Board:

"Derek Bartlett"
Director

"Richard Williams"
CEO & Director



**Condensed Interim Consolidated Statements of
Comprehensive Loss**
(Expressed in Canadian dollars)

Three Months Ended	May 31, 2023	May 31, 2022
Expenses		
General and administrative	\$ 234	\$ 190
Exploration and evaluation expenditures (Note 8)	-	-
Professional fees	2,000	969
Share based compensation	-	-
Shareholder relations and regulatory fees	1,100	1,011
Foreign exchange (gains) losses	-	468
Interest expense	8	-
	3,342	2,638
Net Loss and Comprehensive Loss	\$ 3,342	\$ 2,638
Loss per share – basic and diluted	\$ (0.00)	\$ (0.00)
weighted average number of shares – basic and fully diluted	41,681,390	41,681,390



**Condensed Interim Consolidated Statements of
Changes in Equity**
(Unaudited - Expressed in Canadian dollars)

	Share Capital		Share Payment Reserve	Deficit	Total
	Number of Shares	Amount			
Balance at February 28, 2022	41,681,300	6,473,483	73,418	(7,143,535)	(596,636)
Comprehensive loss for the period				(2,638)	(2,638)
Balance at May 31, 2022	41,681,300	6,473,483	73,418	(7,146,173)	(599,273)
Comprehensive loss for the period				(45,253)	(245,253)
Balance at February 28, 2023	41,681,300	6,473,483	73,418	(7,191,426)	(644,525)
Comprehensive loss for the period				(3,342)	(2,241)
Balance at May 31, 2022	41,681,300	6,473,483	73,418	(7,194,768)	(646,767)

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



**Condensed Interim Consolidated Statements of
Cash Flows**
(Unaudited - Expressed in Canadian dollars)

Years Ended	May 31, 2022	May 31, 2021
Net comprehensive income (loss) for the period	\$ (3,341)	\$ (76,906)
Adjustments to reconcile net loss to cash flow from operating activities:		
Share based compensation	-	66,101
	(3,341)	(10,805)
Net change in non-cash operating working capital items:		
Sales taxes recoverable	-	(747)
Trade payables and accruals	3,300	(424)
Cash From (Used in) Operations	(241)	(11,976)
Financing		
Advances payable	(4,919)	-
Shareholder loans	20,008	-
Cash From Financing Activities	15,089	-
Increase (Decrease) in Cash	14,848	(11,976)
Cash at beginning of period	650	46,478
Cash at End of Period	\$ 15,498	\$ 34,502

1. NATURE OF OPERATIONS AND GOING CONCERN

Waseco Resources Inc. (“Waseco” or the “Company”) is incorporated under the laws of the Province of Ontario. Its shares trade on the TSX Venture Exchange under the symbol WRI and on the Frankfurt Exchange under the symbol WSE. The Company’s registered office is Suite 1500, 2 Queen Street East, Toronto, Ontario, M5C 3G5.

The Company is an exploration stage company. On July 13, 2020, the Company announced that it had optioned its Battle Mountain Ridge Project, in Nevada, to the Marigold Mining Company (“Marigold”), a subsidiary of SSR Mining Inc. Management believes that this project can now be developed in conjunction with the adjacent Trenton Canyon Mine, which is being brought forward by Marigold. Management also expects that the option will be exercised and that the Company could receive several million dollars at that time. Thereafter, it may continue to participate in the project through a royalty holding.

Management and the Technical Advisory Committee have now turned their attention to evaluating new projects. The Company also has interests in exploration prospects in Ontario and Quebec, Canada, and a Positive Bankable Feasibility Study (“intellectual Property”) relating to a gold prospect in Indonesia. Substantially all the Company’s efforts are devoted identifying a new lead project. There has been no determination whether the Company’s interests in mineral properties contain mineral reserves which are economically recoverable.

The accompanying Condensed Interim Consolidated Financial Statements for the three months ended May 31, 2023 (the “Financial Statements”) have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

As at May 31, 2023, the Company had a working capital deficiency of \$576,406 (February 28, 2023 - \$593,071), has never had profitable operations, has accumulated losses at May 31, 2023 of \$7,193,668 (February 28, 2023 - \$7,191,426) and expects to incur future losses in the development of its business, all of which casts significant doubt on the Company’s ability to continue as a going concern. These financial statements have been prepared on the basis that the Company will continue as a going concern and do not reflect the adjustments, if any, that may be required to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and discharge its liabilities as a going concern in the normal course of operations.

The Company has taken steps to verify title to its mineral exploration properties in accordance with industry standards for the current stage of exploration of such properties. However, these procedures do not guarantee the Company’s title as the properties’ title may be subject to unregistered prior agreements, unregistered claims, or aboriginal claims.

Management plans to secure necessary financing, as and when needed, through a combination of the issue of new equity or debt instruments and the entering of joint venture or option arrangements. Nevertheless, there is no assurance that these initiatives will be successful.

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 need to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying Financial Statements. Such adjustments could be material.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

These Financial Statements have been prepared in accordance and comply with IAS 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee (“IFRIC”). They do not include all information required for annual financial statements and should be read in conjunction with the audited consolidated financial statements of the Company as at and for the year ended February 28, 2023. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes to the Company’s financial position and performance since the last audited annual consolidated financial statements.

These Financial Statements were authorized for issuance by the Company’s Board of Directors on July 31, 2023.

2.2 Basis of presentation

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

In the year ended February 28, 2023, the Company corrected misallocations of an HST refund of \$100,318 and the receipt of a Quebec exploration refundable tax credit of \$170,633, which resulted in the \$270,951 overstatement of exploration deposits and the accumulated deficit. The misallocations occurred prior to the year ended February 28, 2020. The impact of the correction for the year ended February 28, 2022 is summarized below:

Consolidated Statement of Financial Position	Previously Reported at February 28, 2022	Reallocation Amount	Adjusted at February 28, 2022
Exploration deposits	\$ 329,875	\$ 270,951	\$ 51,454
Accumulated deficit	(7,414,486)	\$ 270,951	(7,143,535)

The Financial Statements are presented in Canadian Dollars, which is the functional currency of the Company.

2.3 Basis of consolidation

These Financial Statements include the accounts of the Company and its wholly owned subsidiary: Waseco Resources US Inc., a Nevada corporation based in the United States. Control is achieved when the Company has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. All inter-company transactions, balances revenues and expenses are eliminated on consolidation.

2.4 Significant accounting judgments and estimates

The preparation of the Financial Statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expense. In management's opinion, all adjustments considered necessary for a fair presentation have been included in the Financial Statements. Interim results are not necessarily indicative of the results expected for the financial year. Actual annual results may differ from interim estimates. The significant judgements made by management applied in the preparation of the Financial Statements are consistent with those applied and disclosed in the Company's audited financial statements for the year ended February 28, 2023. For a description of the Company's critical accounting estimates and assumptions, please refer to the Company's audited financial statements and related notes for the year ended February 28, 2023.

2.5 Significant accounting policies

The accounting policies are set out in Note 3 of the Company's audited consolidated financial statements for the year ended February 28, 2023, and they have been applied consistently to all periods presented in these Financial Statements.

3. CAPITAL MANAGEMENT

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration, and development of mineral properties and to ensure it continues as a going concern. 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. All the properties, in which the Company currently has an interest, are in the exploration stage with no operating revenues, as such the Company is dependent on external financing to fund its activities. To carry out planned exploration and pay for administrative costs, the Company will utilize 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.

The mining industry is cyclical in nature. For the past few years, raising equity capital for junior explorers, such as Waseco, has been challenging. These market conditions appear to be improving as the price of gold recovers. The Company has historically relied on equity financing to raise capital and expects to be able to continue to do so. Waseco has also been financially supported in prior years with non-interest-bearing cash advances from the Company's Chief Executive Officer, who has continued his support in the current period. In May 2023 the Company obtained new shareholder loans to support its operations.

Management has considered how these conditions have impacted the Company's viability given its current capital structure and considers that until the outcome of future financing activities is known there is considerable uncertainty about the appropriateness of the use of the going concern basis of accounting. In the meantime, the Company has been fortunate in being the beneficiary of interest free advances by Chief Executive Officer, and recent shareholder loans, but there is no assurance of the continuation of such support. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of the Company, is reasonable.

The Company is not subject to any capital requirements imposed by regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i)

\$50,000 and (ii) an amount required to maintain operations and cover general and administrative expenses for a period of 6 months. As of May 31, 2022, the Company was not compliant with this policy of the TSXV.

There were no changes in the Company's approach to capital management during the three months ended May 31, 2023.

4. FINANCIAL INSTRUMENTS

Waseco's risk exposures and the impact on the Company's financial instruments are summarized below:

Interest-rate risk: Waseco maintains its cash balances in non-interest-bearing bank accounts at a major Canadian financial institution.

Credit risk: Credit risk is the risk of financial loss to the Company if a customer or counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash and refunds of government taxes due and the risk is considered low.

Liquidity risk: The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they become due. At May 31, 2023, the Company had a working capital deficiency of \$576,406 (deficiency at February 28, 2023 – \$593,071). To meet its longer-term working capital and property exploration expenditures, the Company will use its best efforts to secure further financing to ensure that those obligations were properly discharged.

There can be no assurance that Waseco will be successful in its efforts to arrange additional financing on terms satisfactory to the Company. In the meantime, the Chief Executive Officer, who is also a Director of the Company, has been supporting the Company's operations by extending shareholder advances to the Company with neither interest nor fixed repayment terms. If additional financing is raised by the issuance of shares from the treasury of the Company, control of Waseco may change and shareholders may suffer additional dilution.

Market risk: Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity prices and/or stock market movements (price risk).

5. ADVANCES PAYABLE

The advances payable to Waseco's Chief Executive Officer are unsecured, non-interest bearing, and with no fixed terms of repayment.

6. SHAREHOLDERS' LOANS

Shareholders' loans payable consists of the following:

As at	May 31, 2023	February 28, 2023
Shareholder loan – current ^(a)	\$ 5,000	\$ 5,000
Shareholders' loans – long term ^(b)	20,008	-
Shareholders' loans – Totals	\$ 25,008	\$ 5,000

(a) The current shareholder loan is unsecured, non-interest bearing, with no fixed term and is payable on demand.

(b) The long term shareholder loans are unsecured, bear interest at 7.5% per annum, and mature on July 30, 2025. The Company may repay the loans at any time, including any accrued interest, upon three days' notice.

7. EXPLORATION AND EVALUATION EXPENDITURES

The exploration and evaluation expenses for the Company are broken down as follows:

Property's Location	James Bay Lowland Ontario	Labrador Trough Quebec	Battle Mountain Nevada, USA	Total
Balance at February 29, 2022	172,131	106,596	1,554,783	1,831,703
Property expenditures	-	-	-	-
Balance at May 31, 2022	172,131	106,596	1,554,783	1,831,703
Property expenditures	-	3,742	-	3,742
Balance at February 28, 2023	172,131	110,338	1,554,783	1,835,445
Property expenditures	-	-	-	-
Balance at May 31, 2023	\$ 172,131	\$ 110,338	\$ 1,554,783	\$ 1,835,445

8.1 Battle Mountain, Nevada: The Company leases 29 unpatented mining claims on the Battle Mountain Gold Trend, in Larder County, Nevada. This lease is held in the name of Waseco Resources US Inc., a wholly owned subsidiary the Company. The property is subject to a 5% NSR royalty of which 2.5% NSR can be acquired at any time for US\$1.5 Million. The NSR Agreement initially called for advance royalty payments of US\$75,000 per year, which was reduced to US \$50,000 commencing in fiscal 2018. In addition, the Property has quarterly lease payments of US \$5,000. These payments include an inflation adjustment, to be calculated quarterly.

On July 1, 2020, the Company's wholly owned subsidiary entered into an Option Agreement (the "Agreement") with the Marigold Mining Company ("Marigold"), a wholly owned subsidiary of SSR Mining Inc. Under the terms of the Agreement, Marigold has an exclusive option to acquire all the rights, title, and interest in Waseco's leased unpatented mining claims within the Agreement's five-year term, which commenced on the date the Agreement was executed. On closing Waseco received cash consideration of US\$100,000 as an advance

8. EXPLORATION AND EVALUATION EXPENDITURES (continued)

towards the option purchase price plus US\$22,660 as a reimbursement of advance royalty, lease payments and core shack fees paid by Waseco. Marigold also assumed Waseco's obligation to pay the annual royalty and quarterly lease payments.

Under the terms of the Agreement, Marigold has the option, at its sole discretion, to complete minimum earn-in work requirements, which are as follows:

- No later than July 1, 2023 either complete 10,000 feet of drilling or incur US\$500,000 in qualifying exploration expenditures; and
- No later than July 1, 2025 either complete an additional 20,000 feet of drilling or incur an additional US\$1.0 million in qualifying exploration expenditures.

If Marigold does not complete the minimum earn-in work requirements, it has the option to pay Waseco an amount equal to the qualifying exploration expenditures for the applicable earn-in period less the qualifying exploration expenditures actually incurred by Marigold for the applicable earn-in period.

On January 18th, 2023, the Marigold advised the Company that its 2022 drilling program on the BMR Project, included 14 drill holes totaling 9,550 feet. Their drilling program cost of US\$547,690 exceeds the first earn-in work requirement milestone of US\$500,000 pursuant to the Agreement.

When Marigold fulfills its exclusive option obligations discussed above, Marigold will have the right to exercise its option by providing Waseco with written notice within sixty days from July 1, 2025 to purchase the existing data owned by Waseco, as well as the contracts, water rights, permits, lease for the unpatented mining claims and existing royalty agreement, at the rate of US\$25 multiplied by the number of Measured, Indicated and Inferred mineral resource reported in Marigold's resource statement, which is required to conform to the standards of National Instrument 43-101. The purchase price is subject to a maximum option price of US\$6.0 million and a minimum option price of US\$1.0 million.

Marigold will also pay Waseco a 1% Net Smelter Return on the production and sale of minerals from the property in excess of 300,000 ounces produced. At Marigold's sole option and discretion, it may exercise the right to reduce the existing royalty from 5% to 2.5% in accordance with the terms of the existing lease agreement.

Both Waseco and Marigold have the right to terminate this agreement in writing, at any time, with either mutual consent or unilaterally.

8.2 Quebec-Labrador Trough: The Company controls these uranium prospects which consist of multiple blocks. The Company has a joint venture agreement with ORANO Canada Inc. (the "ORANO Agreement") and to date the Company's monetary contribution has been \$105,770 in addition to the underlying properties. The Company's joint venture partner advanced the Company funds to be used to pay for exploration expenditures, of which \$51,454 in advances is unspent at May 31, 2023 (\$51,454 at February 28, 2023). Waseco earns a 10% fee on exploration expenditures incurred, which is recognized as operator revenue in these financial statements.

8. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Under the terms of Waseco's joint venture with ORANO the Company has no obligation to return unused exploration deposits to its joint venture partner. In addition, the partner has no claim on the exploration deposits, as such the Company's exploration deposits are being indefinitely retained by Waseco.

8.3 James Bay Lowlands: In 2003 Waseco acquired a 5% interest in 2003 in a 2,440-acre claim block is in approximately to the DeBeers Victor mine in the Attawapiskat Region in Northern Ontario. The property is subject to a 2% net smelter return ("NSR"), with the Company and its joint venture partners having a right of first refusal to buy out 1%.

9. CAPITAL STOCK

Share Capital: Waseco is authorized to issue an unlimited number of common shares. The issued and outstanding share capital consists of common shares.

Share-Based Payment Plan: Waseco established a stock option plan to provide additional incentive to its directors, officers, employees, service providers, or consultants in their efforts on behalf of the Company in the conduct of its affairs. The total number of shares which may be issued thereunder shall not exceed 10% of the then issued and outstanding shares of the Company. Under the terms of the plan, options shall vest immediately except those options granted to consultants or persons employed in investor relations activities, which are to vest over a twelve-month period. All options expire on the fifth anniversary from the grant date, unless specified otherwise in a Director's Resolution. The exercise price of each option issued shall not be less than the closing market price of the Company's stock on the day immediately preceding the date of grant.

The following table summarizes stock options issued and outstanding:

	Number of Stock Options	Weighted Average Exercise Price
Balance – February 28, 2022	2,800,000	\$ 0.071
Changes in the period	-	-
Balance – May 31, 2022	2,800,000	\$ 0.071
Changes in the period	-	-
Balance – February 28, 2023	2,800,000	\$ 0.071
Changes in the period	-	-
Balance – May 31, 2023	2,800,000	\$ 0.071

9. CAPITAL STOCK (continued)

The following is information regarding the outstanding options at May 31 2023:

Options by Expiry Date	Number of Options	Exercise Price	Remaining Life in Years
April 9, 2024	2,200,000	\$0.075	0.88
August 18, 2024	400,000	\$0.050	1.22
Total options and weighted averages	2,800,000	\$0.071	0.93

11. SEGMENTED INFORMATION

The Company has identified its reportable operating segments based on the information utilized by the President and Chief Financial Officer (considered to be the chief decision makers) to manage the business. The Company operations are in Canada and the USA, with all of its assets and liabilities residing in Canada.

Operating segment	Three months ended May 31, 2023 Canada	Three months ended May 31, 2023 USA	Three months ended May 31, 2022 Canada	Three months ended May 31, 2022 USA
Expenses	\$ 3,342	-	\$ 2,170	\$ 467
	3,342	-	2,170	467
Comprehensive income (loss)	\$ (3,342)	-	\$ (2,170)	\$ (467)

11. RELATED PARTY TRANSACTIONS

Related party transactions include advances from, and consulting fees, management fees and compensation paid to key management personnel or to companies controlled by such individuals. Key management personnel are defined as officers and directors of the Company.

Directors do not have employment contracts with the Company and receive no cash compensation, while officers may have consulting contracts for providing their services. Both directors and officers are also eligible for share-based payments. Expenditures recorded are summarized below:

	Three months ended May 31, 2023	Three months ended May 31, 2022
Compensation – management	\$ 2,000	\$ 2,000



(an exploration stage company)

**Notes to Condensed Interim
Consolidated Financial Statements**
(Expressed In Canadian Dollars)
Three-Months Ended May 31, 2023 and 2022

11. RELATED PARTY TRANSACTIONS (continued)

At May 31, 2023, amounts owing to the key management personnel include advances payable of \$482,101 (February 28, 2023 - \$487,020.51), shareholder loan of \$5,000 (February 28, 2023 - \$5,000), accounts payable and accrued liabilities of \$18,718 (February 28, 2023 - \$16,718).