

BULGOLD INC.
CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS

For the three and nine months ended September 30, 2024

In Canadian dollars

(UNAUDITED)

Notice to Reader

The accompanying unaudited condensed interim consolidated financial statements of BULGOLD Inc. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements.

BULGOLD INC.
Condensed Interim Consolidated Statements of Financial Position

<i>(in Canadian dollars)</i>	September 30, 2024 (unaudited) \$	December 31, 2023 (audited) \$
ASSETS		
Current		
Cash and cash equivalents (Note 3)	563,630	2,015,716
Sales taxes receivable	7,988	45,114
Other receivables	3,927	13,554
Prepays and deposits	25,487	27,812
	<u>601,032</u>	<u>2,102,196</u>
Non-current		
Property and equipment	16,098	23,645
Exploration and evaluation assets (Note 4)	2,324,421	1,145,579
	<u>2,340,519</u>	<u>1,169,224</u>
TOTAL ASSETS	<u>2,941,551</u>	<u>3,271,420</u>
LIABILITIES		
Current		
Accounts payable and accrued liabilities	173,718	211,584
Due to related parties (Note 9)	416,520	403,757
	<u>590,238</u>	<u>615,341</u>
Non-current		
Provision for land restoration (Note 5)	6,293	6,115
	<u>6,293</u>	<u>6,115</u>
TOTAL LIABILITIES	<u>596,531</u>	<u>621,456</u>
EQUITY		
Share capital (Note 6)	4,230,654	4,230,654
Contributed surplus	966,508	848,299
Deficit	(2,894,957)	(2,433,135)
Cumulative translation adjustment	42,815	4,146
TOTAL EQUITY	<u>2,345,020</u>	<u>2,649,964</u>
TOTAL LIABILITIES AND EQUITY	<u>2,941,551</u>	<u>3,271,420</u>

Nature of operations, business combination and liquidity risk (Note 1)

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

On behalf of the Board,

/s/ Sean Hasson

Sean Hasson, Director

/s/ Vanessa Cook

Vanessa Cook, Director

BULGOLD INC.**Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss**

	3 Months Ending September 30		9 Months Ending September 30	
<i>(unaudited, in Canadian dollars)</i>	2024	2023	2024	2023
	\$	\$	\$	\$
Expenses and other items				
Share-based compensation (note 7)	23,889	211,776	118,209	211,776
Salaries and benefits	37,054	-	161,841	-
Professional and contractor fees	23,656	309,444	156,263	587,160
Registration and shareholder information	2,195	-	25,163	-
Travel and representation	6,433	8,632	22,835	35,900
Other operating expenses (income)	(6,321)	(101,169)	16,105	17,426
Depreciation	476	526	1,427	1,054
Cost of Listing	-	-	-	734,269
Operating Loss	87,382	429,209	501,842	1,587,585
Net Finance Expense (Income)	(6,835)	16,699	(40,021)	44,980
Net loss for the period	80,547	445,908	461,821	1,632,565
Item that will not be subsequently reclassified to income				
Foreign currency translation adjustment	(41,312)	(20,240)	(47,965)	(23,983)
Net loss and comprehensive loss for the period	39,234	425,669	413,856	1,608,582
Basic and diluted loss per share (Note 8)	\$0.00	\$0.02	\$0.01	\$0.08
Weighted average number of shares basic and diluted (Note 8)	27,597,928	27,478,352	27,597,928	20,215,569

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

BULGOLD INC.**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity.***(unaudited, in Canadian dollars)*

	Number of issued and outstanding common shares	Share Capital \$	Contributed Surplus \$	Deficit \$	Cumulative Translation Adjustment \$	Total Equity (Deficiency) \$
Balance at December 31, 2023	27,597,928	4,230,654	848,299	(2,433,135)	4,146	2,649,964
Share Based Compensation		-	118,209	-	-	118,209
Net loss for the period		-	-	(461,821)	-	(461,821)
Translation adjustment		-	-	-	38,669	38,669
Balance at September 30, 2024	27,597,928	4,230,654	966,508	(2,894,957)	42,815	2,345,020

	Number of issued and outstanding common shares	Share Capital \$	Contributed Surplus \$	Deficit \$	Cumulative Translation Adjustment \$	Total Equity (Deficiency) \$
Balance at December 31, 2022	9,120,000	484,475	0	(561,338)	5,509	(71,354)
Acquisition of Mineral Properties	11,111,097	2,188,800	171,156	-	-	2,359,956
Private Placement	7,366,831	1,655,507	554,542	-	-	2,210,049
Issuance Costs		(220,360)	56,965	-	-	(163,395)
Share Based Compensation		-	211,776	-	-	211,776
Net loss for the period		-	-	(1,632,565)	-	(1,632,565)
Translation adjustment		-	-	-	23,983	23,983
Balance at September 30, 2023	27,597,928	4,108,422	994,439	(2,193,903)	29,492	2,938,450

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

BULGOLD INC.**Condensed Interim Consolidated Statements of Cash Flows.**

	<u>3 Months Ending September 30</u>		<u>9 Months Ending September 30</u>	
<i>(unaudited, in Canadian dollars)</i>	2024	2023	2024	2023
	\$	\$	\$	\$
Operating Activities				
Net Loss	(80,547)	(445,908)	(461,821)	(1,632,565)
Depreciation	476	525	1,427	1,054
Share-based compensation	23,889	211,776	118,209	211,776
Finance expense on shareholder loans	-	27,147	-	49,803
Decrease (Increase) in Sales Tax Receivable	9,859	(65,113)	37,126	(85,254)
Decrease (Increase) in Accounts Receivable	2,796	(2,620)	9,627	2,058
Decrease (Increase) in Prepaid Expenses	5,798	17,566	2,325	(597)
Increase (Decrease) in Accounts Payable	(11,781)	102,831	(24,925)	80,569
Cost of Listing (Note 5)	-	-	-	734,269
Cash Provided by (used in) Operating Activities	(49,510)	(153,796)	(318,034)	(638,887)
Investing Activities				
Cash acquired on reverse acquisition	-	-	-	1,781,069
Additions to Exploration and Evaluation assets (note 4)	(832,404)	(425,869)	(1,178,842)	(551,210)
Other Capital Expenditures	(216)	-	(216)	(8,183)
Capitalized depreciation	2,517	2,575	7,764	-
Cash Provided by (used in) Investing Activities	(830,103)	(423,294)	(1,171,294)	1,221,676
Financing Activities				
Issuance of Shares	-	550,050	-	2,210,049
Issuance Costs	-	(59,172)	-	(163,395)
Payment of Shareholder Loans (note 9)	-	(162,459)	-	(272,866)
Cash Provided by Financing Activities	-	328,419	-	1,773,788
Gain (Loss) from conversion to Reporting Currency	41,390	(6,908)	37,241	(25,820)
Net Increase (Decrease) in Cash and Cash Equivalents	(838,223)	(255,579)	(1,452,086)	2,330,757
Cash and Cash Equivalents, beginning of period	1,401,853	2,667,261	2,015,716	80,924
Cash and Cash Equivalents, end of period	563,630	2,411,682	563,630	2,411,682
Supplemental Information				
Addition of non-cash current assets on reverse acquisition	-	-	-	1,504
Addition of property and equipment on reverse acquisition	-	-	-	2,907
Assumption of accounts payable and accrued liabilities on reverse acquisition	-	-	-	(159,793)

The accompanying notes form an integral part of these unaudited condensed interim consolidated financial statements.

1. NATURE OF OPERATIONS, BUSINESS COMBINATION AND LIQUIDITY RISK

St Charles Resources Inc. (“SCR”) was incorporated on July 16, 2021, under the Ontario *Business Corporations Act* and was classified as a Capital Pool Company (“CPC”). On March 17, 2023, SCR completed a business combination with Eastern Resources, which constituted SCR’s Qualifying Transaction. For accounting purposes, it has been determined that SCR was the accounting acquiree and Eastern Resources was the accounting acquiror since the former shareholders of Eastern Resources now controlled SCR.

On May 5, 2023, SCR changed its name to BULGOLD Inc. (the “Company”, “BULGOLD” or the “Resulting Issuer”) and consolidated its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every three pre-consolidation common shares of the Company, following approval by the Company’s shareholders at a special meeting of the shareholders held on April 26, 2023. On May 5, 2023, the Company began trading on the TSXV under the new symbol “ZLTO” (was previously “SCRS”).

These unaudited condensed interim consolidated financial statements are prepared as a continuation of the financial statements of Eastern Resources but reflecting the equity instruments of BULGOLD.

Liquidity risk

These unaudited condensed interim consolidated financial statements were prepared on a going-concern basis of accounting, which assumes that the Company will continue operations for the foreseeable future and will be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. In assessing whether the going concern assumption is appropriate, management takes into account all available information about its future. As the Company has no revenues, its ability to pursue the exploration of its projects in the future is dependent on its ability to periodically raise additional financing, through the issuance of equity, debt financing or other means. There is no assurance that the Company will be able to do so in the future or that these sources of funding or initiatives will be available to the Company or that they will be available on terms which are acceptable for the Company.

2. BASIS OF PRESENTATION

Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and are presented in Canadian dollars. They do not include all the information required in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”).

The Board of Directors approved these unaudited condensed interim consolidated financial statements on November 21, 2024.

Basis of measurement

These unaudited condensed interim consolidated financial statements were prepared on a historical cost basis and on an accrual basis.

3. CASH AND CASH EQUIVALENTS

As at September 30, 2024, cash and cash equivalents of \$563,630 includes a \$300,000 guaranteed investment certificate (GIC), bearing interest at a rate of 4.2% and maturing on October 28, 2024.

As at September 30, 2024, cash and cash equivalents includes an amount of \$46,173 held in a bank account in favor of the Ministry of Energy of Bulgaria to cover requirements for future environmental rehabilitation work and/or if the Company fails to complete the previously agreed work programs.

4. EXPLORATION AND EVALUATION ASSETS

Amounts invested in exploration and evaluation assets not subject to depreciation and amortization are as follows:

Exploration and Evaluation Assets	Chukata	Kutel	Lutila	Total
Balance on December 31, 2023	631,757	513,822	-	1,145,579
Investment Additions	116,928	17,961	1,010,732	1,145,621
FX Difference	18,320	14,900	-	33,221
Balance on September 30, 2024	767,005	546,683	1,010,732	2,324,421

The company has two exploration licences in Bulgaria (Chukata and Kutel) and one exploration license in Slovakia (Lutila).

An annex to the current Kutel Exploration Licence, in Bulgaria, was concluded with the Ministry of Energy (MoE) on January 4, 2024. The MoE and the Ministry of Environment and Waters (MoEW) are currently reviewing the Company’s submitted

two-year work program. Once the MoE approves the work program, then the MoEW needs to provide final approval which then becomes the 'effective date' for the Kutel Exploration Licence and allows for two further years of exploration.

5. PROVISION FOR LAND RESTORATION

According to the contracts for prospecting and exploration of metallic minerals, concluded with the Ministry of Energy of Bulgaria, the Company has commitments for future environmental rehabilitation and restoration costs for its two exploration areas (Kostilkovo and Kutel), amounting to \$6,293 (\$6,115 at December 31, 2023).

6. SHARE CAPITAL

Authorized and issued

An unlimited number of common shares with no par value.

As at September 30, 2024, the Company has 27,597,928 issued and outstanding shares (27,597,928 on December 31, 2023).

Share Purchase (Subscriber) Warrants

As at September 30, 2024 and December 31, 2023, the Company has 3,683,413 half warrants, related to the 2023 Private Placement, which expire on December 23, 2024. Each full warrant (1,841,707) entitles the subscriber (holder) to purchase one common share at \$0.40.

Compensation Options (Broker Warrants)

As at September 30, 2024 and December 31, 2023, the Company had 666,666 outstanding compensation options (Broker Warrants) issued on April 26, 2022, at an exercise price of \$0.30, expiring on April 26, 2027, which as of September 30, 2024 have a remaining life of 2.6 years and 281,759 Broker warrants, related to the 2023 Private Placement, at an exercise price of \$0.40, expiring on December 23, 2024, which as of September 30, 2024 have a remaining life of 0.3 years.

Shares subject to escrow

As of September 30, 2024, 5,079,360 shares were held in escrow. The remaining CPC Seed Shares were released from escrow on September 23, 2024; therefore, the entire balance of shares in escrow relates to the Qualifying Transaction.

Shares issued to the President and CEO of BULGOLD resulting from the completion of the Transaction (3,174,600 common shares) are subject to escrow with 5% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months. As of September 30, 2024, 2,222,220 shares were still in escrow.

Shares issued to non-principal security holders resulting from the completion of the Transaction (6,349,200 common shares) are also being held in escrow with 10% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months. As of September 30, 2024, 2,857,140 shares were still in escrow.

Escrow Shares	CPC Seed Shares	Seefin QT Shares	BMD QT Shares	GEOPS QT Shares	Total Shares
Issued	2,453,333	3,174,600	3,174,600	3,174,600	11,977,133
Released on March 23, 2023	613,333	158,730	317,460	317,460	1,406,983
Released on September 23, 2023	613,333	158,730	476,190	476,190	1,724,443
Released March 23, 2024	613,333	317,460	476,190	476,190	1,883,173
Released September 23, 2024	613,333	317,460	476,190	476,190	1,883,173
In Escrow as at September 30, 2024	0	2,222,220	1,428,570	1,428,570	5,079,360

7. STOCK OPTIONS

The movement of issued and outstanding stock options for the 9 months ending September 30, 2024 were:

	Number of Stock Options	Option Exercise Price \$	Remaining Contractual Life in Years	Number of Exercisable Stock Options	Exercise Price of Exercisable Stock Options
Balance on December 31, 2023	2,752,000	\$0.30		1,525,333	\$0.30
Expired on March 17, 2024	(684,000)	\$0.30		(684,000)	\$0.30
Issued on May 27, 2024	660,000	\$0.30		220,000	\$0.30
Balance on September 30, 2024	2,728,000	\$0.30	3.9	1,061,333	\$0.30

The issued and outstanding stock options on September 30, 2024 were:

	Number of Stock Options	Option Exercise Price \$	Remaining Contractual Life in Years	Number of Exercisable Stock Options	Exercise Price of Exercisable Stock Options
Issued on April 26, 2022	228,000	\$0.30	2.6	228,000	\$0.30
Issued on July 20, 2023	1,840,000	\$0.30	3.8	613,333	\$0.30
Issued on May 27, 2024	660,000	\$0.30	4.7	220,000	\$0.30
Total Options	2,728,000	\$0.30	3.9	1,061,333	\$0.30

On May 27, 2024, the company issued 660,000 stock option to its directors, officers and consultants. The Company used the Black Scholes model for determining the value of \$28,535. The assumptions used include: 5 Year life of options, Vesting over a 2 Year period (1/3 upon on May 27, 2024, and 1/3 on the same day in 2025 and 2026), a volatility rate of 77.8%, an interest (bond) rate of 3.81% and a dividend yield of nil.

8. LOSS PER SHARE

The net loss per common share was based on the loss attributable to common shareholders and the weighted average number of shares outstanding. The weighted average number of shares outstanding for the three-months ended September 30, 2024, and 2023 was 27,597,928 and 27,478,352, respectively. The loss per share for the three-months ended September 30, 2024, and 2023 was \$0.00 and \$0.02, respectively. For the 9 months ended September 30, the weighted average

number of shares outstanding was 27,597,928 for 2024 (loss of \$0.01 per share) and 20,215,569 (loss of \$0.08 per share) for 2023.

9. RELATED PARTY TRANSACTIONS

On September 30, 2024, the company had an amount of \$416,520 (\$403,757 on December 31, 2023) owed to GEOPS Ltd., a shareholder of BULGOLD. In 2022, the Company entered into a loan agreement with Dundee Resources Limited, a shareholder of BULGOLD; the loan and applicable interest was paid on April 7, 2023.

10. SEGMENTED INFORMATION

The Company presents and discloses segmented information based on information that is regularly reviewed by the chief executive officer. The Company has determined that there is only one operating segment consisting of acquiring, exploring and evaluating mining property assets. The Company's assets are located in Canada, Bulgaria and Slovakia. Assets are located as follows:

Segmented Information – September 30, 2024	Canada	Bulgaria	Slovakia	Total
Current assets	398,447	74,211	128,374	601,032
Property and equipment	-	16,098	-	16,098
Exploration and evaluation assets	-	1,313,689	1,010,732	2,324,421
Total assets	398,447	1,403,998	1,139,106	2,941,551

Segmented Information – December 31, 2023	Canada	Bulgaria	Slovakia	Total
Current assets	1,712,353	326,631	63,212	2,102,196
Property and equipment	1,427	22,218	-	23,645
Exploration and evaluation assets	-	1,145,579	-	1,145,579
Total assets	1,713,780	1,494,428	63,212	3,271,420

11. EVENTS AFTER THE REPORTING DATE

On November 14, 2024, the company announced that it has received all outstanding assay data relating to the Lutilla Gold Project (the "Property"). This information has now been validated and incorporated into the Company's database. The Lutilla exploration license covers an area of 32.2km² and is prospective for quartz-adularia epithermal gold mineralization. For further information, the reader can refer to the related press release.