



CONDENSED INTERIM FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)
(Unaudited)

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2023

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of the Company 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 condensed interim financial statements in accordance with standards established by the Canadian Institute of Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

TROUBADOUR RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

As at	September 30, 2023	December 31, 2022
ASSETS		
Current		
Cash	\$ 53,303	\$ 85,967
Prepaid expenses	8,333	5,208
Receivables	2,343	2,723
	63,979	93,898
Reclamation deposit (Note 3)	16,850	16,850
Mineral property (Note 3)	1,702,755	1,709,732
	\$ 1,783,584	\$ 1,820,480
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 502,567	\$ 360,006
	502,567	360,006
Shareholders' equity		
Share capital (Note 5)	3,297,496	3,297,496
Reserves (Note 5)	340,640	340,640
Deficit	(2,357,119)	(2,177,662)
	1,281,017	1,460,474
	\$ 1,783,584	\$ 1,820,480

Nature and continuance of operations (Note 1)

Subsequent event (Note 8)

Approved and authorized by the Board on November 27, 2023.

<u>"Gary Schellenberg"</u>	Director	<u>"Geoff Schellenberg"</u>	Director
Gary Schellenberg		Geoff Schellenberg	

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

TROUBADOUR RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)

	Three months		Nine months	
	ended September 30,		ended September 30,	
	2023	2022	2023	2022
Expenses				
Consulting fees (Note 4)	\$ 30,000	\$ 30,000	\$ 90,000	\$ 90,000
Filing and transfer agent fees	1,721	1,871	12,385	16,842
Investor relations	241	573	355	3,641
Interest and bank charges	49	48	173	181
Office and administration	4,894	5,049	14,905	13,929
Professional fees (Note 4)	7,741	24,202	46,954	53,673
Rent (Note 4)	5,400	5,400	16,200	16,200
Share-based payments (Note 5)	-	-	-	20,035
	(50,046)	(67,143)	(180,972)	(214,501)
Flow-through premium recognized (Note 5)	-	753	-	10,050
Interest income	138	1,569	1,515	1,874
Loss and comprehensive loss for the period	\$ (49,908)	\$ (64,821)	\$ (179,457)	\$ (202,577)
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding – basic and diluted	15,116,134	14,516,134	15,116,134	14,329,614

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

TROUBADOUR RESOURCES INC.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

For the periods ended September 30,	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	\$ (179,457)	\$ (202,577)
Non-cash items:		
Share-based payments	-	20,035
Flow-through premium recognized	-	(10,050)
Non-cash working capital item changes:		
Receivables	380	(1,095)
Prepaid expenses	(3,125)	(8,333)
Accounts payable and accrued liabilities	142,561	99,303
Net cash used in operating activities	(39,641)	(102,717)
CASH FLOWS FROM INVESTING ACTIVITIES		
Mineral property tax credits received	6,977	162,098
Mineral property expenditures	-	(94,530)
Net cash used in investing activities	6,977	67,568
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements	-	60,300
Net cash provided by financing activities	-	60,300
Change in cash for the period	(32,664)	25,151
Cash, beginning of period	85,967	127,227
Cash, end of period	\$ 53,303	\$ 152,378

No cash was paid for interest or taxes for the periods ended September 30, 2023 and 2022.

As at September 30, 2023, \$4,748 (2022 - \$nil) was accrued in mineral property costs through accounts payable and accrued liabilities.

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

TROUBADOUR RESOURCES INC.
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share Capital				
	Number	Amount	Reserves	Deficit	Total
Balance, December 31, 2021	14,181,134	\$ 3,211,246	\$ 320,605	\$ (1,924,775)	\$ 1,607,076
Shares issued for cash	335,000	60,300	-	-	60,300
Share-based payments	-	-	20,035	-	20,035
Flow-through premium	-	(10,050)	-	-	(10,050)
Loss for the period	-	-	-	(202,577)	(202,577)
Balance, September 30, 2022	14,516,134	3,261,496	340,640	(2,127,352)	1,474,784
Shares issued for mineral property	600,000	36,000	-	-	36,000
Loss for the period	-	-	-	(50,310)	(50,310)
Balance, December 31, 2022	15,116,134	3,297,496	340,640	(2,177,662)	1,460,474
Loss for the period	-	-	-	(179,457)	(179,457)
Balance, September 30, 2023	15,116,134	\$ 3,297,496	\$ 340,640	\$ (2,357,119)	\$ 1,281,017

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Troubadour Resources Inc. (the “Company”) was incorporated in Canada under the British Columbia Corporations Act on March 22, 2012. The Company is principally engaged in the acquisition and exploration of resource properties. The Company’s shares are publicly traded on the TSX Venture Exchange (the “TSXV”) under the symbol TR. The head office, records office, and principal address of the Company is 488-625 Howe Street, Vancouver, British Columbia, V6C 2T6.

The Company is in the process of investing in potential new acquisitions and exploring and evaluating its resource properties and has not yet determined whether the properties contain ore reserves that are economically recoverable. The Company’s primary focus is on two properties in British Columbia: the Amarillo Property, located in the Osoyoos Mining District, and the Texas Property, located in the Greenwood Mining District (Note 3).

These condensed interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favorable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. These material uncertainties may cast significant doubt about the ability of the Company to continue as a going concern.

There are many external factors that can adversely affect general workforces, economies and financial markets globally. Examples include, but are not limited to, the COVID-19 global pandemic and political conflict in other regions. It is not possible for the Company to predict the duration or magnitude of adverse results of such external factors and their effect on the Company's business or ability to raise funds.

The condensed interim financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

2. SIGNIFICANT ACCOUNTING POLICES AND BASIS OF PREPARATION

Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”). These condensed interim financial statements are prepared using accounting policies consistent with the Company’s annual audited financial statements issued under International Financial Reporting Standards (“IFRS”) for the year ended December 31, 2022.

The condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit and loss, which are stated at their value. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. SIGNIFICANT ACCOUNTING POLICES AND BASIS OF PREPARATION (cont'd...)

Use of estimates and critical judgments

The recognition of exploration and evaluation assets requires judgments regarding future recoverability and carrying cost. The cost model is utilized and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

The determination of income tax is inherently complex and requires making certain judgments about future events. While income tax filings are subject to audits and reassessments, the Company has adequately provided for all income tax obligations. However, changes in facts and circumstances as a result of income tax audits, reassessments, jurisprudence and any new legislation may result in an increase or decrease in our provision for income taxes.

Share-based payments are subject to estimation of the value of the award at the date of grant using pricing models such as the Black-Scholes option valuation model. The option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's stock options have characteristics significantly different from those of traded options and because the subjective input assumptions can materially affect the calculated fair value, such value is subject to measurement uncertainty.

The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

3. MINERAL PROPERTY

As at September 30, 2023, the Company held \$16,850 (December 31, 2022 - \$16,850) in deposits with a financial institution as security for reclamation requirements.

Amarillo Property, BC

The Company owns a 100% interest in certain claims located in the Osoyoos Mining District, British Columbia, comprising the Amarillo property. The seller retains a 1.5% Net Smelter Returns ("NSR") royalty, of which the Company may purchase 1.0% for a payment of \$1,000,000.

Texas Property, BC

On October 6, 2020, the Company entered into a mineral property option agreement with 1218802 B.C. Ltd. (the "Vendor") to acquire a 100% interest in the Texas property, located in the Greenwood Mining District in Southern British Columbia.

During the year ended December 31, 2022, the Company satisfied the option by making a final payment of \$50,000 and issuing 600,000 common shares to 1218802 B.C. Ltd. The Vendor retains a 1.5% NSR of which Troubadour can purchase 1% for \$1,000,000 any time prior to commencement of commercial production.

TROUBADOUR RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(Expressed in Canadian Dollars)

3. MINERAL PROPERTY (cont'd...)

During the period ended September 30, 2023, the Company incurred the following in relation to mineral properties:

	Amarillo Property	Texas Property	Total
<i>Acquisition Costs</i>			
Balance, December 31, 2022	\$ 66,202	\$ 271,307	\$ 337,509
Additions	-	-	-
Balance, September 30, 2023	66,202	271,307	337,509
<i>Exploration Costs</i>			
Balance, December 31, 2022	915,385	456,838	1,372,223
Assays	-	-	-
Field expenditures	-	-	-
Field personnel	-	-	-
Geological consulting	-	-	-
Mobilization	-	-	-
BC Mining Exploration Tax Credit	(396)	(6,581)	(6,977)
Balance, September 30, 2023	914,989	450,257	1,365,246
Total, September 30, 2023	\$ 981,191	\$ 721,564	\$ 1,702,755

During the year ended December 31, 2022, the Company incurred the following in relation to mineral properties:

	Amarillo Property	Texas Property	Total
<i>Acquisition Costs</i>			
Balance, December 31, 2021	\$ 66,202	\$ 178,326	\$ 244,528
Additions	-	92,981	92,981
Balance, December 31, 2022	66,202	271,307	337,509
<i>Exploration Costs</i>			
Balance, December 31, 2021	936,285	514,480	1,450,765
Assays	-	23,028	23,028
Field expenditures	1,748	19,094	20,842
Field personnel	3,000	14,000	17,000
Geological consulting	-	21,750	21,750
Mobilization	-	936	936
BC Mining Exploration Tax Credit	(25,648)	(136,450)	(162,098)
Balance, December 31, 2022	915,385	456,838	1,372,223
Total, December 31, 2022	\$ 981,587	\$ 728,145	\$ 1,709,732

4. RELATED PARTY TRANSACTIONS

During the period ended September 30, 2023, the Company paid or accrued \$nil (2022 - \$80,788) included in mineral property expenditures and \$16,200 (2022 - \$16,200) included in rent expense recognized in loss and comprehensive loss to a company related to two officers of the Company. Included in accounts payable and accrued liabilities as at September 30, 2023 was \$501,400 (December 31, 2022 - \$359,147) payable to companies controlled by officers of the Company.

TROUBADOUR RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(Expressed in Canadian Dollars)

4. RELATED PARTY TRANSACTIONS (cont'd...)

Key management personnel consist of directors and senior management including the President, Chief Executive Officer, and Chief Financial Officer. During the period ended September 30, 2023, the Company paid or accrued, to key management personnel and their related companies:

	Professional fees	Consulting fees	Share-based payments	Total
Chief Executive Officer	\$ -	\$ 22,500	\$ -	\$ 22,500
President	-	67,500	-	67,500
Chief Financial Officer	22,500	-	-	22,500
Total	\$ 22,500	\$ 90,000	\$ -	\$ 112,500

During the period ended September 30, 2022, the Company paid or accrued, to key management personnel and their related companies:

	Professional fees	Consulting fees	Share-based payments	Total
Chief Executive Officer	\$ -	\$ 22,500	\$ 2,222	\$ 24,722
President	-	67,500	3,889	71,389
Chief Financial Officer	22,500	-	1,389	23,889
Non-executive Directors	-	-	2,778	2,778
Total	\$ 22,500	\$ 90,000	\$ 10,278	\$ 122,778

5. SHAREHOLDERS' EQUITY

Authorized

An unlimited number of common shares without par value.

Issued share capital

The Company did not issue any shares during the period ended September 30, 2023.

During the year ended December 31, 2022, the Company:

- a) closed a private placement by issuing 335,000 flow-through share units (each, a "FT Unit") at \$0.18 per FT Unit for gross proceeds of \$60,300. Each FT Unit consisted of one flow-through common share and one-half of one common share purchase warrant, with each full warrant entitling the holder to purchase one additional common share at a price of \$0.25 for a period of two years.

The Company used the residual value method to calculate the fair value of the tax deduction attached with the flow-through common share and recorded a flow-through liability of \$10,050. During the year ended December 31, 2022, the Company spent the entire required flow-through expenditures under the issuance and \$10,050 was recognized to loss and comprehensive loss; and

- b) issued 600,000 common shares valued at \$36,000 to 1218802 B.C. Ltd., as stipulated in its mineral property option agreement for the Texas Property (Note 3).

TROUBADOUR RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(Expressed in Canadian Dollars)

5. SHAREHOLDERS' EQUITY (cont'd...)

Warrants

The following is a summary of warrants outstanding as at September 30, 2023 and December 31, 2022 and changes during the periods then ended:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2021	1,326,000	\$ 0.44
Issued during the year	167,500	0.25
Expired during the year	(1,326,000)	0.44
Balance, December 31, 2022 and September 30, 2023	167,500	\$ 0.25

As at September 30, 2023 the following warrants were outstanding:

	Number outstanding and exercisable	Exercise Price	Expiry Date
Warrants	167,500	\$ 0.250	June 1, 2024
	167,500		

Stock Options

On September 25, 2017, the Company adopted a stock option plan. The stock option plan provides that, subject to the requirement of the TSXV, the aggregate number of securities reserved for issuance will be 10% of the number of common shares of the Company issued and outstanding from time to time. In addition, the number of common shares which may be reserved for issuance on a yearly basis to any one individual upon exercise of all stock options held by such individual may not exceed 5% of the issued shares calculated at the time of grant. All options granted under the stock option plan will expire no later than the date that is ten years from the date that such options are granted.

The Company did not grant any stock options during the period ended September 30, 2023, or the year ended December 31, 2022. Total share-based payments recognized in the interim condensed statement of loss and comprehensive loss for the period ended September 30, 2023, was \$nil (2022 - \$nil).

The following is a summary of stock options outstanding as at September 30, 2023 and December 31, 2022 and changes during the periods ended:

	Number of Stock Options	Weighted Average Exercise Price
Balance, December 31, 2021 and 2022	1,180,000	\$ 0.15
Expired during the period	(580,000)	0.16
Balance, September 30, 2023	600,000	\$ 0.13

TROUBADOUR RESOURCES INC.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023
(Expressed in Canadian Dollars)

5. SHAREHOLDERS' EQUITY (cont'd...)

Stock Options (cont'd...)

As at September 30, 2023 the following stock options were outstanding:

Number outstanding	Number outstanding and exercisable	Exercise Price	Expiry Date
440,000	440,000	\$ 0.125	February 27, 2025
160,000	160,000	\$ 0.160	May 10, 2024
600,000	600,000		

6. SEGMENT INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and evaluation of resource properties in one geographical location, being Canada.

7. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial assets and liabilities are classified in the fair value hierarchy according to the lowest level of input that is significant to the fair value measurement. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect placement within the fair value hierarchy levels. The hierarchy is as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying value of receivables, reclamation bond, and accounts payable and accrued liabilities approximates fair value due to the short-term nature of the financial instruments. Cash is valued at a level 1 fair value measurement and is carried at fair value through profit or loss. Receivables, reclamation bond, and accounts payable and accrued liabilities are carried at amortized cost.

Risk management

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss of a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's cash and reclamation bond are held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset backed commercial paper.

The Company's receivables consist of Goods and Services Tax receivable from the government of Canada and the Company considers credit risk associated with these amounts to be low.

7. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd...)

Risk management (cont'd...)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable and accrued liabilities are due within one year.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

The Company's exposure to interest rate risk arises from the interest rate impact on cash. The Company's practice has been to invest cash at floating rates of interest, in order to maintain liquidity, while achieving a satisfactory return for shareholders. As at September 30, 2023, the Company is not exposed to significant interest rate risk.

b) Foreign currency risk

The majority of purchases are transacted in the Canadian dollar. Management believes the foreign exchange risk derived from currency conversions is not significant and therefore does not hedge its foreign exchange risk.

c) Price risk

The Company is exposed to price risk with respect to commodity prices, particularly gold. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue acquisition, exploration and evaluation of mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes its components of shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

8. SUBSEQUENT EVENT

Subsequent to the period ended September 30, 2023, the Company entered into an agreement with a third party to acquire 100% of the Monarch Uranium Property, located in the Theon Basin in the Territory of Nunavut. Upon closing of the transaction, the Company will issue 5,500,000 common shares and make a cash payment of \$35,000. Following the acquisition, the Company will issue a 2% Net Smelter Royalty to the seller.