



**CONDENSED INTERIM FINANCIAL STATEMENTS**

**Nine Months Ended July 31, 2024 and 2023**

(Expressed in Canadian dollars)

Unaudited

## NOTICE TO READERS

The accompanying unaudited condensed interim financial statements of Bessor Minerals Inc. for the nine months ended July 31, 2024, have been prepared by management in accordance with International Accounting Standard 34, Interim Financial Reporting of International Financial Reporting Standards and reflect management's best estimates and judgments based on information currently available.

These condensed interim financial statements have been approved by the Audit Committee and the Board of Directors of the Company. These statements have not been reviewed by the Company's external auditors.

Dated September 27, 2024

"Jason Riley"

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Jason Riley  
President and Chief Executive Officer

"Jeanie Yu"

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Jeanie Yu  
Chief Financial Officer

# BESSOR MINERALS INC.

## Condensed Interim Statements of Financial Position (Unaudited)

(Expressed in Canadian Dollars)

	Notes	July 31, 2024 Unaudited	October 31, 2023 Audited
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	\$ 83,234	\$ 280,280
Accounts receivable	8	31,375	673
Prepaid expenses		4,829	904
		<b>119,438</b>	<b>281,857</b>
<b>Non-current assets</b>			
Reclamation Advance	5	5,000	5,000
Mineral exploration and evaluation assets	6, 8	677,621	632,508
		<b>802,059</b>	<b>919,365</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	8	\$ 26,011	\$ 30,200
		<b>26,011</b>	<b>30,200</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	7	9,902,271	9,902,271
Reserves		1,056,536	1,056,536
Deficit		(10,182,759)	(10,069,642)
		<b>776,048</b>	<b>889,165</b>
		<b>802,059</b>	<b>919,365</b>

### NATURE OF OPERATIONS AND GOING CONCERN (Note 1) SUBSEQUENT EVENT (Note 11)

Approved on behalf of the Board of Directors:

*"Kieran Downes"* Director                      *"Jason Riley"* Director  
.....  
Kieran Downes                                      Jason Riley

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

# BESSOR MINERALS INC.

## Condensed Interim Statements of Loss and Comprehensive Loss (Unaudited)

(Expressed in Canadian Dollars)

	Notes	Three Months Ended		Nine Months Ended	
		July 31, 2024	July 31, 2023	July 31, 2024	July 31, 2023
<b>Expenses</b>					
General and administration	8	\$ 4,556	\$ 3,790	\$ 13,564	\$ 11,355
Management fees	8	7,500	6,000	22,633	18,000
Professional fees		1,258	2,611	60,718	18,766
Public company costs		5,046	2,340	20,397	12,595
Travel and related costs		569	112	948	265
<b>Loss before other income</b>		<b>(18,929)</b>	<b>(14,853)</b>	<b>(118,260)</b>	<b>(60,981)</b>
<b>Other Income</b>					
Interest income		849	2,339	5,143	5,538
<b>Net loss and comprehensive loss</b>		<b>\$ (18,080)</b>	<b>\$ (12,514)</b>	<b>\$ (113,117)</b>	<b>(55,443)</b>
<b>Weighted average number of common shares outstanding</b>					
Basic and diluted		26,285,623	26,285,623	26,285,623	26,285,623
<b>Loss per common share</b>					
Basic and diluted		<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>(0.00)</b>

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

## **BESSOR MINERALS INC.**

### **Condensed Interim Statements of Changes in Shareholders' Equity (Unaudited)**

**For the Nine Months Ended July 31, 2024 and 2023**

(Expressed in Canadian Dollars)

	<b>Number of Common Shares</b>	<b>Share Capital</b>	<b>Reserve</b>	<b>Deficit</b>	<b>Total Equity</b>
<b>Balance, October 31, 2022</b>	26,285,623	\$ 9,902,271	\$ 1,056,536	\$ (9,976,253)	\$ 982,554
Net loss for the period	-	-	-	(55,443)	(55,443)
<b>Balance, July 31, 2023</b>	<b>26,285,623</b>	<b>9,902,271</b>	<b>1,056,536</b>	<b>(10,031,696)</b>	<b>927,111</b>
<b>Balance, October 31, 2023</b>	26,285,623	9,902,271	1,056,536	(10,069,642)	889,165
Net loss for the period	-	-	-	(113,117)	(113,117)
<b>Balance, July 31, 2024</b>	<b>26,285,623</b>	<b>\$ 9,902,271</b>	<b>\$ 1,056,536</b>	<b>\$ (10,182,759)</b>	<b>\$ 776,048</b>

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

# BESSOR MINERALS INC.

## Condensed Interim Statements of Cash Flow (Unaudited)

For the Nine Months Ended July 31, 2024 and 2023

(Expressed in Canadian Dollars)

	July 31, 2024	July 31, 2023
<b>OPERATING ACTIVITIES</b>		
Net loss for the period	\$ (113,117)	\$ (55,443)
Changes in non-cash working capital		
Accounts receivable	(30,702)	4,712
Prepaid expenses	(3,925)	(4,559)
Accounts payable and accrued liabilities	(23,883)	(54,760)
<b>Cash used in operating activities</b>	<b>(171,627)</b>	<b>(110,050)</b>
<b>INVESTING ACTIVITIES</b>		
Investment in mineral exploration and evaluation assets	(25,419)	(8,928)
Proceeds from the sale of marketable securities (note 8)	-	22,500
<b>Cash provided by (used in) investing activities</b>	<b>(25,419)</b>	<b>13,572</b>
<b>Increase (Decrease) in cash and cash equivalents</b>	<b>(197,046)</b>	<b>(96,478)</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>280,280</b>	<b>395,537</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 83,234</b>	<b>\$ 299,059</b>
<b>SUPPLEMENTAL CASH FLOW INFORMATION</b>		
Interest received	\$ 5,143	\$ 5,538
Income tax paid	\$ -	\$ -
Net change in mineral exploration and evaluation assets in accounts payable	\$ 19,694	\$ -
<b>CASH AND CASH EQUIVALENTS</b>		
Cash	\$ 14,795	\$ 38,157
Guaranteed investment certificates	68,439	260,902
<b>Cash and cash equivalents, end of period</b>	<b>\$ 83,234</b>	<b>\$ 299,059</b>

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

# **BESSOR MINERALS INC.**

## **NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**For the Nine Months ended July 31, 2024 and 2023**

(Expressed in Canadian Dollars)

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### **1. NATURE OF OPERATIONS AND GOING CONCERN**

Bessor Minerals Inc. (the “Company” or “Bessor”) was incorporated on June 4, 2007 under the *Business Corporations Act* (Alberta). The address of its head office is Suite 1615 – 200 Burrard Street, Vancouver, British Columbia. The registered and records office of Bessor is located at Suite 250 – 2<sup>nd</sup> Street SW, Calgary, Alberta T2P 0C1,

The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired. On March 21, 2022, the Company was transferred to the NEX board of the TSX-V. Effective February 9, 2024, the Company graduated from the NEX board to Tier 2 of the TSX Venture Exchange (“TSX-V”). The Company trades on the TSX-V under the trading symbol “BST.V”.

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the period ended July 31, 2024, the Company has negative cash flow from operations and recurring operating losses and as at that date, has an accumulated deficit of \$10,182,759. The continuing operations of the Company are dependent upon its ability to obtain sufficient financing and the success of its exploration activities. This indicates the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs with loans from directors and companies controlled by directors and/or issuance of common shares. If the Company is unable to continue as a going concern, the net realizable value of its assets may be materially less than the amounts on its statement of financial position.

### **2. BASIS OF PRESENTATION**

#### **(a) Statement of compliance**

The condensed interim financial statements (the “Financial Statements”) of the Company have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting (“IAS 34”) of International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

These Financial Statements have been prepared in accordance with the same accounting policies and methods of application as described in Note 3 to the audited financial statements for the year ended October 31, 2023, except that they do not include all the disclosures required for the annual audited financial statements. These Financial Statements should be read in conjunction with the financial statements for the Company for the year ended October 31, 2023.

These Financial Statements for the nine-month period ended July 31, 2024 were approved and authorized for issuance by the Board of Directors on September 27, 2024.

#### **(b) Measurement basis**

The Financial Statements are presented in Canadian dollars, which is the functional currency of the Company. The Financial Statements have been prepared on an accrual basis, except for cash flow information, and are based on historical costs, except for certain financial instruments that are stated at their fair values.

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS**

#### **(a) Significant accounting policies**

The significant accounting policies followed in these Financial Statements are consistent with those applied in the Company’s audited annual financial statements for the year ended October 31, 2023.

#### **(b) Significant accounting judgments, estimates and assumptions**

The preparation of these Financial Statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses.

# **BESSOR MINERALS INC.**

## **NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**For the Nine Months ended July 31, 2024 and 2023**

(Expressed in Canadian Dollars)

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### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND JUDGEMENTS (continued)**

#### **(b) Significant accounting judgments, estimates and assumptions (continued)**

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### ***Significant accounting estimates***

Significant areas requiring the use of management estimates include the determination of impairment of mineral exploration and evaluation assets, the recoverability and measurement of deferred income tax assets and liabilities, and the recognition and valuation of provisions for restoration and environmental liabilities. Management believes the estimates are reasonable; however, actual results could differ from those estimates and could impact future results of operations and cash flows.

#### ***Significant accounting judgments***

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the Financial Statements within the next financial year include the Company's going concern assessment.

### **4. CASH AND CASH EQUIVALENTS**

At July 31, 2024, the Company held one cashable guaranteed investment certificate ("GIC") with a total value of \$68,439 (October 31, 2023 - \$263,297), interest-bearing at 4.5% and a maturity date of October 23, 2024. The GIC can be redeemed at any time.

### **5. RECLAMATION ADVANCE**

During the year ended October 31, 2015, the Company advanced \$5,000 to the Minister of Finance of British Columbia as a security deposit for exploration work on the Redhill property (Note 6). The deposit is non-interest bearing.

### **6. MINERAL EXPLORATION AND EVALUATION ASSETS**

#### **Redhill Property – British Columbia, Canada**

On July 8, 2015, and as amended July 30, 2019, September 15, 2020, September 22, 2022 and September 20, 2023, the Company entered into an option agreement with Homegold Resources Ltd. ("Homegold"). Under the terms of the option, the Company may acquire a 100% interest in the Redhill property located in British Columbia by making option payments as follows:

- \$5,000 upon signing of the agreement (paid);
- \$5,000 on or before each of July 8, 2016 and July 8, 2017 (paid);
- \$10,000 on or before July 8, 2018 (paid);
- \$7,500 and 300,000 common shares of the Company upon TSX-V acceptance of the July 30, 2019 amendment (paid and issued);
- \$5,000 and 300,000 common shares of the Company upon TSX-V acceptance of the September 15, 2020 amendment (paid and issued);
- \$17,500 and 500,000 common shares of the Company on or before July 8, 2021 (paid and issued);
- \$15,000 and 500,000 common shares of the Company on or before October 7, 2022 (paid and issued);
- \$10,000 in accordance with the September 20, 2023 amendment (paid);
- \$40,000 on or before July 8, 2024 (under renegotiation); and
- \$295,000 on or before July 8, 2025 (under renegotiation).

As at July 31, 2024, the total option payments paid was \$80,000 in cash and 1,600,000 common shares with a total fair value of \$135,000. The combined total of option payments paid was \$215,500.

# **BESSOR MINERALS INC.**

## **NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**For the Nine Months ended July 31, 2024 and 2023**

(Expressed in Canadian Dollars)

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### **6. MINERAL EXPLORATION AND EVALUATION ASSETS (continued)**

#### **Redhill Property – British Columbia, Canada (continued)**

In addition to the option payments, the Company must spend \$650,000 on exploration under the terms of the agreement as follows:

- \$20,000 on or before the first anniversary of the agreement (spent);
- \$50,000 on or before the second anniversary of the agreement (spent);
- \$150,000 on or before the third anniversary of the agreement (spent);
- \$30,000 on or before the fourth through ninth anniversaries of the agreement (spent);
- As a result of the September 15, 2020 and September 22, 2022 amendments:
  - An additional \$50,000 on an exploration program to commence prior to December 31, 2022 (spent);
  - An additional \$100,000 on or before December 31, 2024; and
- \$100,000 on or before the tenth anniversary of the agreement.

Expenditures can be accelerated at the Company's election and excess expenditures in any year will be credited towards future years.

As at July 31, 2024, the Company has incurred a cumulative total of \$610,810 in exploration expenditures

On September 29, 2024, the Company and Homegold signed a further amendment, with the following revised Option payments due to Homegold and revised property spend requirements below:

- \$5,000 on or before September 30, 2024 (Paid);
- \$10,000 on or before September 30, 2025;
- \$25,000 on or before September 30, 2026;
- Bessor to spend \$50,000 on drilling the property within 12 months of receiving a drilling permit;
- Upon completion of the above cash payments and property spend as revised per the September 29, 2024 Amending Agreement, Bessor will have earned 100% interest in the property;
- Bessor to pay a bonus payment in cash or shares (at the election of Bessor) of \$2,000,000 to Homegold within 45 days of Bessor filling a 43-101 Compliant Feasibility Study demonstrating a commercially exploitable mineral reserve;
- All other terms of the Option Agreement and the Amending Agreements dated July 30, 2019 and September 15, 2020 remain in force, unchanged.

If the Company exercises the option, Homegold will retain a 2% net smelter return ("NSR") royalty, one-half (1%) of which can be purchased by the Company for \$1,000,000 at any time. In the event of commercial production or sale of 100% of the property, Homegold will receive a bonus payment of \$500,000 in cash or shares at the election of Homegold.

#### **Easter Gold Project – Nevada, USA**

On April 3, 2024, the Company entered into an option agreement ("Option Agreement") with K2 Resources Inc. ("K2"), a private company in which Jason Riley, the Company's President and CEO, is an officer, director and shareholder.

Under the terms of the Option Agreement, the Company may acquire a 60% interest in the Easter Gold Property ("Easter Gold Project"), by paying in cash a total amount of \$1,800,000 CAD, incurring exploration expenditures of \$5,000,000 CAD over three years and issuing a total of 5,000,000 common shares in the capital of Bessor to K2 over three years. The first-year requirement is \$400,000 CAD cash, 2,500,000 Common Shares and \$1,000,000 CAD of work performed on the Easter Gold Project (commenced only), with the balance of the earn-in requirements spread over another 3 years.

On fulfilment of the terms in the Option Agreement, the Option Agreement will then become a joint venture ("JV") agreement.

The Easter Gold Project is located in east-central Nevada in Lincoln County, nine air miles southwest of Caliente, Nevada. The project area consists of 70 mineral claims covering 1,446 acres. The property does not have any underlying NSR royalty agreements.

The work obligations and cash and Common Share payments that are payable by Bessor to K2 under the Option Agreement are set out below:

# BESSOR MINERALS INC.

## NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the Nine Months ended July 31, 2024 and 2023

(Expressed in Canadian Dollars)

### 6. MINERAL EXPLORATION AND EVALUATION ASSETS (continued)

#### Easter Gold Project Property – Nevada, USA (continued)

Payment Date	Cash (\$ CAD)	Common Shares	Work Obligation (\$ CAD)	Note
Upon execution of Option Agreement	25,000			Paid
Within 5 Days of TSXV Final Approval of the Option Agreement	100,000	2,500,000		Pending
September 15, 2024	275,000			-
Commenced within 1st year from the date of the Option Agreement			1,000,000	-
Within 30 Days of Completing \$1M in Work Obligations		2,500,000		-
April 30, 2025	150,000			-
January 15, 2026	500,000			-
Completed prior to the 2nd anniversary of the date of the Option Agreement			1,500,000	-
January 15, 2027	750,000			-
Completed prior to the 3rd anniversary of the date of the Option Agreement			2,500,000	-
<b>Total</b>	<b>1,800,000</b>	<b>5,000,000</b>	<b>5,000,000</b>	

The Company's exploration and evaluation assets expenditures for the nine months ended July 31, 2024 are as follows:

	Redhill Property BC, Canada	Easter Property Nevada, USA	Total
<b>ACQUISITION COSTS</b>			
Balance, October 31, 2023	\$ 215,500	\$ -	\$ 215,500
Additions	-	25,000	25,000
<b>Balance, July 31, 2024</b>	<b>215,500</b>	<b>25,000</b>	<b>240,000</b>
<b>DEFERRED EXPLORATION COSTS</b>			
Balance, October 31, 2023	588,336	-	588,336
Additions			
Assays	-	-	-
Drilling	9,648	-	9,648
Geological	10,838	5,070	15,908
Transportation and Other	1,988	808	2,796
<b>Balance, July 31, 2024</b>	<b>610,810</b>	<b>5,878</b>	<b>616,688</b>
<b>MINERAL EXPLORATION TAX CREDIT</b>			
Balance, October 31, 2023	(171,328)	-	(171,328)
Recoveries	(8,239)	-	(8,239)
<b>Balance, July 31, 2024</b>	<b>(179,567)</b>	<b>-</b>	<b>(179,567)</b>
<b>Total, July 31, 2024</b>	<b>\$ 646,743</b>	<b>\$ 30,878</b>	<b>\$ 677,621</b>

# BESSOR MINERALS INC.

## NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the Nine Months ended July 31, 2024 and 2023

(Expressed in Canadian Dollars)

### 6. MINERAL EXPLORATION AND EVALUATION ASSETS (continued)

The Company's exploration and evaluation assets expenditures for the year ended October 31, 2023 are as follows:

	<b>Redhill Property</b>
	BC, Canada
<b>ACQUISITION COSTS</b>	
Balance, October 31, 2022	\$ 205,500
Additions	10,000
<b>Balance, October 31, 2023</b>	<b>215,500</b>
<b>DEFERRED EXPLORATION COSTS</b>	
Balance, October 31, 2022	560,873
Additions	
Assays	3,366
Drilling	24,097
Geological	-
<b>Balance, October 31, 2023</b>	<b>588,336</b>
<b>MINERAL EXPLORATION TAX CREDIT</b>	
Balance, October 31, 2022	(152,793)
Recoveries	(8,239)
<b>Balance, October 31, 2023</b>	<b>(171,328)</b>
<b>Total, October 31, 2023</b>	<b>\$ 632,508</b>

### 7. SHARE CAPITAL

#### a) Authorized

The Company has authorized an unlimited number of common shares without par value and an unlimited number of preferred shares.

#### b) Issued and outstanding

As at July 31, 2024 and for the year ended October 31, 2023, the Company had 26,285,623 common shares issued and outstanding.

*During the nine months ended July 31, 2024 and the year ended October 31, 2023:*

There were no common shares issued.

#### c) Stock options

The Company has a stock option plan whereby the Company may grant options to its directors, officers, key employees and consultants for up to 10% of the outstanding common shares of the Company. Options granted may not exceed a term of 10 years from the date of grant. All options vest when granted unless they are otherwise specified by the Board of Directors or if they are granted for investor relations activities. Options granted for investor relations activities vest over a twelve-month period with no more than 25% of the options vesting in any three-month period.

# BESSOR MINERALS INC.

## NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the Nine Months ended July 31, 2024 and 2023

(Expressed in Canadian Dollars)

### 7. SHARE CAPITAL (continued)

#### c) Stock options (continued)

A summary of changes in the Company's stock options outstanding is as follows:

	Nine Months Ended July 31, 2024		Year Ended October 31, 2023	
	Number of Options	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Outstanding, beginning balance	322,500	\$ 0.50	405,000	\$ 0.50
Expired	(30,000)	\$ 0.50	(82,500)	\$ 0.50
<b>Outstanding, ending balance</b>	<b>292,500</b>	<b>\$ 0.50</b>	<b>322,500</b>	<b>\$ 0.50</b>

A summary of options outstanding at July 31, 2024 is as follows:

Number of Shares Under Option	Number of Options Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Years of Contractual Life	Expiry Date
95,000	95,000	\$ 0.50	0.46	January 16, 2025
32,500	32,500	\$ 0.50	1.35	December 7, 2025
140,000	140,000	\$ 0.50	1.68	April 4, 2026
25,000	25,000	\$ 0.50	3.95	July 10, 2028
<b>292,500</b>	<b>292,500</b>	<b>\$ 0.50</b>	<b>1.44</b>	

Share-based payment for the nine months ended July 31, 2024 was \$nil (October 31, 2023 – \$nil).

### 8. RELATED PARTY TRANSACTIONS

The Company held 2,250,000 common shares of K2 Resources Inc. ("K2"), representing approximately 2% of the common shares. K2 is a private company with a portfolio of mineral properties in which Jason Riley is an officer, director, and shareholder. On December 29, 2022, the Company sold the investment in K2 to a close family member of Vic Jang (a director of the Company) for \$22,500. On April 3, 2024, the Company entered into an Option Agreement with K2 to acquire a 60% interest in the Easter Gold Project in Nevada.

Key management personnel are considered to be those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include senior officers and directors of the Company.

Related party transactions to key management personnel are as follows:

	Nine Months Ended July 31, 2024		Nine Months Ended July 31, 2023	
Management and administration fees:				
Management fees	\$	22,633	\$	18,000
Geological fees included in Exploration and Evaluation Assets		13,368		13,550
<b>Total key management compensation</b>	<b>\$</b>	<b>36,001</b>	<b>\$</b>	<b>31,550</b>

At July 31, 2024, included in accounts payable and accrued liabilities was \$2,665 (October 31, 2023 – \$2,625) due to the Company's chief financial officer for fees and expenses reimbursement and \$12,228 (October 31, 2023 – \$nil) due to a company controlled by a director for geological fees and expenses reimbursement.

# BESSOR MINERALS INC.

## NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)

For the Nine Months ended July 31, 2024 and 2023

(Expressed in Canadian Dollars)

### 8. RELATED PARTY TRANSACTIONS (continued)

At July 31, 2024, included in accounts receivable was \$30,000 (October 31, 2023 – \$nil) due from the Company's chief executive officer (Jason Riley) for a non-interest bearing advance and receivable on demand.

### 9. FINANCIAL INSTRUMENTS

#### Fair value hierarchy

Fair value measurements of financial instruments are required to be classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The levels of the fair value hierarchy are defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Inputs for assets or liabilities that are not based on observable market data.

The Company classified its financial instruments at Level 1 and as follows:

	Financial Assets		Financial Assets		Financial Liabilities	
	At fair value through profit or loss		At amortized cost		At amortized cost	
<b>July 31, 2024</b>						
Cash and cash equivalents	\$	83,234	\$	-	\$	-
Accounts receivable	\$	-	\$	31,375	\$	-
Accounts payable and accrued liabilities	\$	-	\$	-	\$	(26,011)
<b>October 31, 2023</b>						
Cash and cash equivalents	\$	280,280	\$	-	\$	-
Accounts receivable	\$	-	\$	673	\$	-
Accounts payable and accrued liabilities	\$	-	\$	-	\$	(30,200)

The fair values of the Company's financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

#### Financial risk management

The Company has exposure to the numerous risks from its use of financial instruments. These risks include credit risk, liquidity risk, foreign currency risk, interest risk and other risks.

##### a) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. The Company has no significant concentration of credit risk arising from its operations. The Company limits its exposure to credit risk on cash and cash equivalents by only investing in liquid securities offered by chartered banks. Given the credit rating of the bank and the securities owned, management does not expect significant credit losses on cash and cash equivalents.

The Company's accounts receivable consists primarily of an advance receivable from the Company's Chief Executive Officer (Jason Riley) and Goods and Services Tax from the Federal Government of Canada. As these balances are deemed to be highly collectible, no allowance for doubtful accounts was set up at July 31, 2024 and October 31, 2023.

At July 31, 2024, all of the Company's operations are predominantly conducted in Canada. Management considers the Company's exposure to credit risk is minimal.

# **BESSOR MINERALS INC.**

## **NOTES TO CONDENSED INTERIM FINANCIAL STATEMENTS (Unaudited)**

**For the Nine Months ended July 31, 2024 and 2023**

(Expressed in Canadian Dollars)

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### **9. FINANCIAL INSTRUMENTS (continued)**

#### **b) 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's approach to managing liquidity is to ensure, as much as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company has a planning and budgeting process in place by which it anticipates and determines the funds required to support normal operation requirements and the growth and development of its mineral exploration and evaluation assets. The Company coordinates this planning and budgeting process with its financing activities through the capital management process described in Note 10. Management has increased its focus on liquidity risk given the impact of the current economic and financial market climate on the availability of equity financing.

As at July 31, 2024, all of the Company's accounts payable and accrued liabilities of \$26,011 (October 31, 2023 - \$30,200) have contractual maturities of 30 to 90 days subject to normal trade terms.

#### **c) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

- i) Currency risk* – The Company has nominal funds held in a foreign currency, and as a result, is not exposed to significant currency risk on its financial instruments at period-end.
- ii) Interest rate risk* – Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interest earned on cash and cash equivalents is at nominal interest rates, and therefore, the Company does not consider interest rate risk to be significant. The Company has no interest-bearing financial liabilities.

### **10. MANAGEMENT OF CAPITAL**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence, and to sustain future development of the business. The Company manages its capital structure and makes adjustments to it in light of changes in economic and financial market conditions. The Company considers its capital structure to include shareholders' equity and working capital. In order to maintain or adjust the capital structure, the Company may issue shares and adjust its spending to manage current and projected cash levels.

As the Company is in the exploration stage, it endeavors to manage its capital structure in a manner that provides sufficient funding for operational activities through funds primarily secured through equity capital obtained in private placements. There can be no assurances that the Company will be able to continue raising capital in this manner.

The Company facilitates the management of capital through preparation of annual expenditure budgets and cash forecasts that are updated as necessary. There were no changes in the Company's approach to capital management during the nine months ended July 31, 2024.

The Company is not exposed to externally imposed capital requirements.

### **11. SUBSEQUENT EVENT**

The Company and Homegold signed an Amending Agreement on the Redhill Property on September 29, 2024. Please see section 6 Mineral Exploration and Evaluation Assets for terms and details.