

Condensed interim financial statements of

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

for the three and nine-month periods ended September 30, 2024 and

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

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CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Condensed Interim Financial Statements at September 30, 2024 and 2023

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

These accompanying unaudited condensed interim financial statements of Canadian Gold Resources Ltd. (Formerly Amseco Exploration Ltd.) have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditors.

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Condensed Interim Financial Position as at September 30, 2024 and December 31, 2023

	Note	September 30 2024	December 31 2023
		\$	\$
Assets			
Current assets			
Cash		6,136	13
Goods and services tax receivable		1,700	903
Prepaid expenses		1,250	4,006
Investment	4	-	42,120
		9,086	47,042
Liabilities			
Current liabilities			
Accounts payables and accrued liabilities	9	198,660	101,379
Total liabilities		198,660	101,379
Shareholders' deficiency			
Shared capital	5	13,985,955	13,985,955
Contributed surplus		1,216,051	1,216,051
Deficit		(15,391,580)	(15,256,343)
		(189,574)	(54,337)
Total liabilities and shareholders' deficiency		9,086	47,042

The notes on pages 8 to 14 form an integral part of the condensed interim financial statements.

Nature of operations and going concern (Note1)

Subsequent events (Note 12)

On behalf of the Board

/s/ Ron Goguen, director

/s/ Roger Bourgault, director

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Condensed Interim Statements of Net Loss and Comprehensive Loss

Three-month and nine-month periods ended September 30, 2024 and 2023

	Note	Three-month ended		Nine-month ended	
		September 30 2024	September 30 2023	September 30 2024	September 30 2023
		\$	\$	\$	\$
EXPENSES					
Administrative charges		59,572	15,176	123,941	59,894
Financial charges		18	18	56	56
		59,590	15,194	123,997	59,950
Other					
Change in fair value of investment	4	(2,290)	(16,840)	(11,240)	19,964
		(2,290)	(16,840)	(11,240)	19,964
Net loss and comprehensive loss		(61,880)	(32,034)	(135,237)	(39,986)
Basic and diluted earnings per share	7	(0.004)	(0.002)	(0.009)	(0.003)
Average number of basic and diluted shares outstanding		14,614,270	14,614,270	14,614,270	14,614,270

The notes on pages 8 to 14 form an integral part of the condensed interim financial statements.

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Condensed Interim Statements of Shareholders' deficiency

Periods ended September 30, 2024 and 2023

	Note	Shared capital	Contributed surplus	Deficit	Total
		\$	\$	\$	\$
Balance as at December 31, 2022		13,985,955	1,200,451	(15,194,687)	(8,281)
Net loss and comprehensive loss		-	-	(39,986)	(39,986)
Balance as at September 30, 2023		13,985,955	1,200,451	(15,234,673)	(48,267)
Balance as at December 31, 2023		13,985,955	1,216,051	(15,256,343)	(54,337)
Net loss and comprehensive loss		-	-	(135,237)	(135,237)
Balance as at September 30, 2024		13,985,955	1,216,051	(15,391,580)	(189,574)

The notes on pages 8 to 14 form an integral part of the condensed interim financial statements.

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Condensed interim statement of cash flow

Nine-month periods ended September 30, 2024 and 2023

	Note	September 30 2024 \$	September 30 2023 \$
Source (use) of cash			
Operations			
Net loss		(135,237)	(39,986)
Adjustments for:			
Change in fair value of investment	4	11,240	(19,964)
Net change in non-cash operating working capital			
Goods and service tax receivable		(797)	(400)
Prepaid expenses		2,756	(1,880)
Accounts payables and accrued liabilities		97,281	10,863
		(24,757)	(51,367)
Investment			
Proceeds of disposition of an investment	4	30,880	50,514
		30,880	50,514
Net change in cash		6,123	(853)
Cash, beginning of the period		13	2,581
Cash, end of the period		6,136	1,728

The notes on pages 8 to 14 form an integral part of the condensed interim financial statements.

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Notes to the condensed interim financial statements

Periods ended September 30, 2024 and 2023

1. Nature of operations, basis of preparation and going concern

Amseco Exploration Ltd. (the "Company") is incorporated under the Canada Business Corporations Act. The head office is located at 239 du Trécaré, Varennes, Quebec J3X 1Y8. The Company's shares are listed on the TSX Venture Exchange under the symbol CAN.

The Company no longer owns any mineral properties. For the period ended September 30, 2024, the Company incurred a net loss of \$135,237 and had negative cash flows from operations of \$24,757. The Company also had a deficit of \$15,391,580 as at September 30, 2024. In addition, as at September 30, 2024, the Company's current liabilities and expected expenses for the next twelve months exceed current assets. The Company currently has no confirmed source of financing.

In order to continue its operations, the Company is dependent on the discovery of new projects or entering into new partnerships and/or its ability to obtain additional necessary financing to fulfill its commitments and obligations in the normal course of its activities. However, there is no guarantee that the Company will be able to obtain financing or enter into a transaction for a new project or partnership. If the Company fails to identify new projects or partnerships, or is unable to obtain additional financing, its future operations could be compromised. (See note 12, subsequent event for detail of the reverse takeover and concurrent private placement)

These events or conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

These condensed interim financial statements have been prepared by the Company management in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and in accordance with IAS 34, "Interim Financial Reporting". They do not include all the information required in annual financial statements in accordance with IFRS. These condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended December 31, 2023.

The Board of Directors approved and authorized for issue these condensed interim financial statements on November 28, 2024.

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Notes to the condensed interim financial statements

Periods ended September 30, 2024 and 2023

2. Material accounting policies, estimates and judgements

(a) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Company's functional currency.

(b) Use of estimates and recourse to judgment

The preparation of financial statements in accordance with IFRS requires management to use judgment, make estimates and make assumptions that affect the application of accounting policies and the carrying amount of assets, liabilities, revenues and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed regularly. Any revisions to accounting estimates are recognized in the year in which the estimates are revised and in future years affected by such revisions. The critical estimates are consistent with the annual financial statements for the year ended December 31, 2023.

Information regarding critical judgments made in the application of accounting policies that have the greatest effect on the amounts recognized in the financial statements and information regarding assumptions and uncertainties in estimates that present a material risk of causing a material adjustment in the following financial period is consistent with the annual financial statements for the year ended December 31, 2023..

3. New accounting standards

As of the date of approval of these condensed interim financial statements, several new standards, amendments to existing standards and interpretations of existing standards had been issued by the IASB but were not yet effective. None of these standards or amendments to existing standards have been early adopted by the Company. Management expects that all relevant pronouncements will be adopted on the first fiscal year beginning on or after their effective date. New standards, amendments and interpretations not adopted for the current fiscal year have not been disclosed, since they should not have a material impact on the Company's condensed interim financial statements.

4. Investment

The movements of the investment is detailed as follows:

	September 30	December 31
	2024	2023
	\$	\$
Balance at beginning of period	42,120	77,350
Disposition	(30,880)	(56,134)
Change in fair value	(11,240)	20,904
	-	42,120

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Notes to the condensed interim financial statements

Periods ended September 30, 2024 and 2023

5. Shared-capital

The Company's capital stock consists of 14,614,270 fully paid-up common shares (2023 – 14,614,270).

6. Shared-based payments

The Company has adopted an share-based payment plan under which members of the Board of Directors may grant options to directors, officers, employees and advisors to acquire common shares. The maximum number of shares that may be issued under the Plan is 10% of the outstanding shares.

The exercise price of each option is set by the members of the Board of Directors and may not be less than the market value of the common shares on the day before the grant. In addition, the maturity date cannot exceed ten years. Options granted to employees and consultants who do not provide investor-related services shall vest immediately upon grant. For a consultant who provides investor-related services, the options granted will vest gradually over a period of 12 months from the date of grant, at a rate of 25% per quarter.

All share-based payments will be settled in equity instruments. The Company has no legal or implied obligation to redeem or settle the options in cash.

The Company's stock options are detailed as follows for the relevant reporting periods:

	September 30, 2024		December 31, 2023	
	Number of options	Weighted average price	Number of options	Weighted average price
Oustanding at the beginning of period	1,315,000	0.07 \$	900,000	0.19 \$
Granted	-	- \$	525,000	0.05 \$
Expired	-	- \$	(110,000)	1.00 \$
Oustanding at end of period	1,315,000	0.07 \$	1,315,000	0.07 \$
Exercisable	1,315,000	0.07 \$	1,315,000	0.07 \$

For the three-month and nine-month periods ended September 30, 2024 and 2023, the application of the fair value model resulted in an expense of nil.

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Notes to the condensed interim financial statements

Periods ended September 30, 2024 and 2023

6. Shared-based payments (continued)

	September 30 2024				December 31 2023			
	Options outstanding and exercisable				Options outstanding and exercisable			
Expiration date	Number of options	Number of options exercisable	Weighted remaining contract life (years)	Strike price	Number of options	Number of options exercisable	Weighted remaining contract life (years)	
October 2028	265,000	265,000	4.33	0.10 \$	265,000	265,000	4.83	
May 2031	525,000	525,000	6.83	0.075 \$	525,000	525,000	7.34	
August 2033	525,000	525,000	9.08	0.050 \$	525,000	525,000	9.58	
	1,315,000	1,315,000			1,315,000	1,315,000		

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Notes to the condensed interim financial statements

Periods ended September 30, 2024 and 2023

7. Earning per share

Stock options were excluded from the calculation of the diluted weighted average number of common shares outstanding because the Company is at a loss and, therefore, would have had an anti-dilutive effect.

8. Related party transactions

Related parties of the Company include key management personnel and companies controlled by key management personnel as explained below

Transactions are entered into in the normal course of business of the Company and are measured by their exchange value, which is the amount of consideration agreed to between the parties to the agreements.

Transactions with companies controlled by key management or with management as at September 30:

	September 30 2024	September 30 2023
Administratives charges		
Management fees	9,500 \$	5,000 \$
Rent	3,150 \$	- \$

As at September 30, 2024, accounts payable and accrued liabilities include amounts payable to related parties of \$92,707 (\$87,000 in 2023).

9. Capital Management Policies and Procedures

The Company's capital management objectives are to:

- To ensure the Company's ability to continue its operations;
- Increase the value of the Company's assets; and
- To ensure a return to the Company's shareholders.

These objectives will be achieved through the establishment of acquisition projects and the eventual development of these projects.

The Company manages its capital on a carrying value basis. Capital is presented in Note 5 and the statements of shareholders' deficiency.

The Company is not subject to any externally imposed capital requirements.

There have been no changes to capital management objectives, procedures or processes during the reporting periods.

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Notes to the condensed interim financial statements

Periods ended September 30, 2024 and 2023

10. Financial Instruments and Financial Risk Management

Fair value of financial instruments

Current financial assets and liabilities, which include cash, accounts payable and accrued liabilities, approximate fair value due to their immediate or short-term maturity.

Financial instruments that are measured at fair value subsequent to initial recognition are grouped into a hierarchy based on the degree to which the fair value is observable as follows:

Level 1: (unadjusted) prices quoted on active markets for identical assets or liabilities;

Level 2: other techniques where all inputs that have a material impact on the fair value recorded can be observed directly or indirectly;

Level 3: techniques that use inputs that have a material impact on the fair value recorded, not based on observable market data.

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement. Investment is classified as Level 1 in the fair value hierarchy

Risk exposure and management

The Company is exposed to a number of risks to varying degrees. The type of risk and how exposure is managed are described below:

i) Market risk

Market risk is the risk that changes in market prices, such as foreign currency rates, interest rates and prices of equity instruments, will affect the Company's or the value of financial instruments. The objective of market risk management is to manage and maintain market risk exposures within acceptable parameters while optimizing returns. The Company does not have any derivative financial instruments to manage these risks.

Currency risk

The Company is not exposed to the risk of exchange rate fluctuations as all of its transactions to date have been concluded in Canadian dollars.

ii) Liquidity risk

Liquidity risk represents the risk that the Company will have difficulty meeting its commitments when they become due. Refer to note 1.

As disclosed in Note 9, the Company manages this risk through the management of its capital structure. In addition, it manages liquidity risk by constantly monitoring its actual and projected cash flows.

CANADIAN GOLD RESOURCES LTD. (FORMERLY AMSECO EXPLORATION LTD.)

Notes to the condensed interim financial statements

Periods ended September 30, 2024 and 2023

11. Financial Instruments and Financial Risk Management (continued)

iii) Credit risk

Credit risk is the risk that the Company will incur a financial loss if another party to a financial instrument is unable to meet its contractual obligations. This risk arises primarily from cash. The carrying amount of this financial asset represents the maximum credit risk exposure as of the date of these condensed interim financial statements.

Credit risk on cash flow is limited since the contracting parties are financial institutions with high credit ratings assigned by international credit agencies.

12. Subsequent event

On November 18, 2024, the Company completed a Reverse Takeover (RTO) with Canadian Gold Resources LTD.

Pursuant to the share exchange agreement with 14697952 Canada Inc. (formerly Canadian Gold Resources Ltd.) and the shareholders of 14697952 Canada Inc. dated May 31, 2024, the Company issued 20,052,000 common shares in the capital of the Company on a post-Consolidation (as defined herein) basis, at a deemed price of \$0.25 per common share of the Company. Pursuant to the Transaction, the Company implemented a consolidation of its issued and outstanding common shares on the basis of one (1) post-consolidation Share for each 5 pre-consolidation Shares. The Company also changed its name from "Amseco Exploration Ltd." to "Canadian Gold Resources Ltd."

Pursuant to the Transaction, the Company closed its concurrent private placement consisting of (i) 2,778,000 units at a price of \$0.25 per Unit, for gross proceeds of \$694,500, with each Unit being comprised of one common share of the Company on a post-Consolidation basis and one transferable post-Consolidation Share purchase warrant, with each warrant entitling its holder to purchase one Share on a post-Consolidation basis at \$0.35 per share, for a period of 24 months and (ii) 3,017,997 flow-through units at a price of \$0.30 per FT Unit, for gross proceeds of \$905,399.10, with each FT Unit being comprised of one "flow-through" Share on a post-Consolidation basis and one-half of one transferable post-Consolidation Share purchase warrant, with each whole warrant entitling its holder to purchase one Share on a post-Consolidation basis at \$0.40 per share for a period of 24 months.

The net proceeds of the Private Placement are estimated to be approximately \$1,6 million.

The Company also adopted a new 10% rolling stock option plan upon closing of the Transaction (the "New Plan"). The New Plan will replace the Company's current stock option plan. Pursuant to the New Plan, the board of directors may grant stock options to directors, officers, employees, and consultants of the Company up to a maximum of 10% of the total the number of issued and outstanding shares of the Company from time to time. No stock option granted under the New Plan will be exercised until requisite shareholder approval having been obtained.