



ARANJIN RESOURCES

Condensed Interim Consolidated Financial Statements For the Three and Nine Months Ended September 30, 2024

(Expressed in Canadian dollars)

(UNAUDITED)

Notice to Reader

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

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

Aranjin Resources Ltd.

Condensed Interim Consolidated Statements of Financial Position (Expressed in Canadian Dollars)

As at		September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
	Notes	\$	\$
Assets			
Current assets			
Cash		25,920	250,110
Prepays and other receivables	3	16,937	8,245
Total current assets		42,857	258,355
Non-current assets			
Deferred exploration and evaluation assets	4	1,901,372	932,105
Total non-current assets		1,901,372	932,105
Total assets		1,944,229	1,190,460
Liabilities			
Current liabilities			
Trade and other payables	5	1,190,529	1,133,988
Total current liabilities		1,190,529	1,133,988
Total liabilities		1,190,529	1,133,988
Equity			
Share capital	6	25,318,969	24,493,969
Reserves		3,498,128	3,498,128
Warrants	7	328,965	328,965
Accumulated other comprehensive loss		1,079,111	1,065,832
Deficit		(29,471,473)	(29,330,422)
Total equity		753,700	56,472
Total liabilities and equity		1,944,229	1,190,460

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

Approved and authorized by the Board of Directors on November 25, 2024:

Director
Matthew Wood

Director
David Wheeler

Aranjin Resources Ltd.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Expressed in Canadian Dollars)(UNAUDITED)

	Notes	Three months ended		Nine months ended	
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
		\$	\$	\$	\$
Expenses					
Administrative expenses		(29)	(2,581)	(8,972)	(4,110)
Public company costs		(1)	(16,431)	(31,571)	(29,761)
Accounting, audit and tax fees		(9,088)	(19,435)	(46,623)	(57,032)
Legal fees		-	(11,655)	(18,252)	(63,970)
Consultant and director fees	9	(3,813)	-	(13,385)	(196,913)
Financing cost		-	(54,937)	-	(339,078)
Foreign exchange loss		(1,895)	16,067	2,577	(583)
Advertising and marketing		-	(40,824)	(22,893)	(104,906)
Other expenses		(238)	(800)	(2,320)	(2,975)
Gain on debt settlement		-	554,039		554,039
Other income		-	1,608	388	1,797
Net profit (loss) for the period		(15,064)	425,051	(141,051)	(243,492)
Other comprehensive loss					
Exchange differences on translation of foreign operations		(3,867)	(18,987)	13,279	(248)
Comprehensive profit (loss) for the period		(18,931)	406,064	(127,772)	(243,740)
Profit (loss) per share					
Basic		(0.00)	0.00	(0.02)	(0.00)
Diluted		(0.00)	0.00	(0.02)	(0.00)
Weighted average number of common shares outstanding – basic	10	6,860,066	7,305,997	6,855,156	7,330,990
Weighted average number of common shares outstanding – diluted	10	8,194,837	7,666,855	8,194,815	7,691,848

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

Aranjin Resources Ltd.

Condensed Interim Consolidated Statements of Cash Flows (Expressed in Canadian Dollars)(UNAUDITED)

For the nine months ended	Notes	September 30, 2024 \$	September 30, 2023 \$
Operating activities			
Net loss for the period		(141,051)	(243,492)
Items not involving cash:			
Financing cost		-	339,078
Foreign exchange movement		(22,294)	11,164
Gain on debt settlement		-	(554,039)
Changes in non-cash working capital items			
Prepays and other receivables		(8,692)	21,082
Trade and other payables		56,537	8,185
Net cash inflow/(outflow) from operating activities		(115,500)	(418,022)
Investing activities			
Deferred exploration and evaluation expenditure	4	(108,690)	(194,648)
Net cash outflow from investing activities		(108,690)	(194,648)
Financing activities			
Promissory note		-	(100,000)
Proceeds from private placement		-	1,075,653
Cost of issuance - private placement		-	(69,074)
Net cash inflow from financing activities		-	906,579
Net increase/(decrease) in cash		(224,190)	293,909
Cash at the beginning of the year		250,110	117,209
Cash at the end of the period		25,920	411,118
Supplemental cash flow information			
Issue of common shares for non-cash consideration	4,6	825,000	-

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

Aranjin Resources Ltd.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars, Except as otherwise noted)

	Number of common shares	Share capital	Reserves	Warrants	Accumulated other comprehensive loss	Deficit	Total equity
		\$	\$	\$	\$	\$	\$
Balance as at January 1, 2023	9,689,836	24,493,969	3,498,128	328,965	1,065,832	(29,330,422)	56,472
Issue of common shares	1,375,000	825,000	-	-	-	-	825,000
Loss for the period	-	-	-	-	-	(141,051)	(141,051)
Other comprehensive loss	-	-	-	-	13,279	-	13,279
Balance as at September 30, 2024	11,064,836	25,318,969	3,498,128	328,965	1,079,111	(29,471,473)	753,700

	Number of common shares	Share capital	Reserves	Warrants	Accumulated other comprehensive loss	Deficit	Total equity
		\$	\$	\$	\$	\$	\$
Balance as at January 1, 2023	6,798,071	21,616,647	4,439,627	-	(1,081,680)	(28,411,072)	(3,436,478)
Private placement	1,344,567	888,411	-	187,242	-	-	1,075,653
Cost of issuance - private placement	-	(57,050)	-	(12,023)	-	-	(69,073)
R&R Debenture conversion	376,197	827,634	-	-	-	-	827,634
R&R Debenture interest settlement	26,468	15,881	-	-	-	-	15,881
Steppe Debenture conversion	824,727	1,814,400	-	-	-	-	1,814,400
Steppe Debenture interest settlement	247,079	148,246	-	-	-	-	148,246
Debt settlement - director fees	72,727	43,636	-	-	-	-	43,636
Loss for the period	-	-	-	-	-	(243,492)	(243,492)
Other comprehensive loss	-	-	-	-	(248)	-	(248)
Balance as at September 30, 2023	9,689,836	25,297,805	4,439,627	175,219	(1,081,928)	(28,654,564)	176,159

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

Aranjin Resources Ltd.

Notes to Condensed Interim Consolidated Financial Statements
For the Three and Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)(UNAUDITED)

1. Nature of Operations and Going Concern

The Company was incorporated on November 14, 2012, under the Business Corporations Act (British Columbia). The registered office of the Company is located at Suite 202, 2438 Marine Drive, West Vancouver, British Columbia, V7V 1L1, Canada. The condensed interim consolidated financial statements as at and for the three and nine months ended September 30, 2024, comprises the Company and its subsidiaries (together referred to as the "Company" or the "Group"). The Company is focused on exploring, developing and acquiring base metal projects and is now primarily engaged in the exploration and development of mineral properties in Mongolia and Australia.

The consolidated annual financial statements for the year ended December 31, 2023 are available on request at the Company's Registered office or from the Company's website at www.aranjinresources.com or SEDAR+ at www.sedarplus.ca.

On June 17, 2024, the Company completed a consolidation of its common shares ("share consolidation") on the basis of one post-consolidation common share for every ten pre-consolidation common shares held (40-to-1). All references contained in these consolidated financial statements to issued and outstanding common shares, warrants, per share amounts, and exercise prices, have been retrospectively restated to reflect the effect of the share consolidations.

Russian invasion of Ukraine

Mongolia is land-locked between China and Russia and on 24 February 2022, Russia invaded Ukraine. The war between the two countries continues to evolve as military activity proceeds and sanctions on Russia remain in place. The war has affected economic and global financial markets and exacerbating ongoing economic challenges, including issues such as rising inflation and global supply-chain disruption. Specifically for Mongolia, it imports all of its fuel from Russia. Its financial system relies on access to certain Russian banks and financial institutions, and there has been disruption in the supply of US Dollars, certain foodstuffs as well as mining equipment. As with many other countries, Mongolia has suffered from increased energy costs, higher inflation, increased interest rates and pressure on foreign currency exchange rates.

Management of the Company closely monitors the events in Ukraine, however the degree to which it may be affected by them are largely out of management's control and depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

Statement of Compliance

The condensed interim consolidated financial statements have been prepared on a going concern basis in accordance with and in compliance with IAS 34 Interim Financial Reporting.

The condensed interim consolidated financial statements do not include all of the information and disclosures required for a full set of annual financial statements and should be read in conjunction with the consolidated annual financial statements as at and for the year ended December 31, 2023.

These condensed interim consolidated financial statements were approved and authorized for issuance by the Board of Directors on November 27, 2024.

Basis of Preparation

The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

These condensed interim consolidated financial statements have been prepared in Canadian dollars ("CAD"), which is the Group's presentation currency. The functional currency was determined to be the Mongolian Tugrik for its Mongolian wholly-owned subsidiaries and to be the Canadian dollar ("CAD") for Aranjin Resources Limited.

The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent audited consolidated financial statements as at and for the year ended December 31, 2023.

The consolidated financial statements are prepared on the historical cost basis, except for financial instruments that are measured at fair value.

Aranjin Resources Ltd.

Notes to Condensed Interim Consolidated Financial Statements For the Three and Nine Months ended September 30, 2024 (Expressed in Canadian Dollars)(UNAUDITED)

Going Concern

For the nine months ended September 30, 2024, the Group incurred a net loss of \$141,051 (nine months ended September 30, 2023: net loss of \$243,492) and had net cash outflows from operating activities of \$ 115,500 (nine months ended September 30, 2023: net cash outflows \$418,022). As at September 30, 2024, the Group had cash and cash equivalents of \$25,920 (December 31, 2023: \$250,110) and net current liabilities of \$1,190,529 (December 31, 2023 net current liabilities of \$1,133,988). At September 30, 2024 the Group had a cumulative deficit of \$29,471,473 (December 31, 2023: \$29,330,422).

The Group's performance may cast significant doubt upon the Company's ability to continue as a going concern. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing, to commence profitable operations in the future, and repay its liabilities arising from normal business operations as they become due. These condensed interim consolidated financial statements do not reflect any adjustments, which could be material, that may be necessary if the Company is unable to continue as a going concern.

However, the directors have been working to improve the Company's working capital situation and have at the time of approving these condensed interim consolidated financial statements, together with the debt restructuring, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the condensed interim consolidated financial statements.

2. Significant accounting policies

The accounting policies applied by the Group in these condensed interim consolidated financial statements are consistent with those applied by the Group in its consolidated annual financial report as at and for the year ended December 31, 2023, except for the adoption of the new standards and interpretations as of January 1, 2024 noted below.

The Group has adopted all the following new and revised Standards and Interpretations issued by the IASB or IFRIC that are relevant to its operations and effective for an accounting period that begins on or after January 1, 2024.

At the date of authorization of these financial statements, the Group has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective, these standards would not have material impact for Company's future reports:

- Amendments to IFRS 10 and IAS 28 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Non-current liabilities with Covenants
- Amendments to IAS 7 and IFRS 7 Supplier Finance Arrangements
- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback

Financial risk management framework

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended December 31, 2023.

3. Prepaids and other receivables

	September 30, 2024	December 31, 2023
	\$	\$
Prepaid expenses	12,242	3,550
Advance for new license	4,695	4,695
	16,937	8,245

Aranjin Resources Ltd.

Notes to Condensed Interim Consolidated Financial Statements
For the Three and Nine Months ended September 30, 2024
(Expressed in Canadian Dollars)(UNAUDITED)

4. Deferred Exploration and Evaluation Expenditure

	September 30, 2024	December 31, 2023
	\$	\$
Opening balance	932,105	647,425
Expenditures incurred – Bayan Undur Project	24,338	31,629
Expenditures incurred – Victory Nickel Project	10,740	199,781
Expenditures incurred – Australian Projects	893,917	65,710
Foreign currency adjustment	40,272	(12,440)
Closing balance	1,901,372	932,105

Australian Projects

The Company entered into three separate Tenements Interests Purchase Agreements (the "Tenement Agreements"), dated October 5, 2023, with Metals of Australia Pty Ltd. ("MoA") and also with Western Wood Capital Pty Ltd. ("WWC"), whereby the Corporation acquired an 80% interest in twelve exploration licenses (the "Australian Projects"). As per the Tenement Agreements, the Company would enter into unincorporated joint ventures with MoA and WWC to explore the Australian Projects, subject to the terms and conditions of the Tenement Agreements (the "Australian Transaction").

The Company engaged external consultants to review the exploration licenses and based on their recommendations, surrendered the rights and title relating to four of these licenses to Department of Energy, Mines, Industry Regulation and Safety, Western Australia. The Company is also in the process of surrendering an exploration license to Department of Energy, Mines, Industry Regulation and Safety, Western Australia.

Upon receipt of final TSXV approval for the Australian Transaction, the Company has issued an aggregate of 1,000,000 common shares of the Company to MoA and 375,000 common shares to WWC at a deemed issue price of \$0.60 per common share (the "Consideration Shares"). In addition, the Company has granted to MoA a 4% net smelter returns royalty in the Bangemall and Gawler projects and to WWC a 3% net smelter returns royalty in the Western Wood project.

5. Trade and Other Payables

	September 30, 2024	December 31, 2023
	\$	\$
Trade and other payables	1,131,760	1,037,028
Accrued expenses	58,769	96,960
	1,190,529	1,133,988

6. Share Capital

(a) Issued and paid-up capital

	Number of shares	\$
Balance, December 31, 2022	6,798,071	21,616,647
Private placement	1,344,567	724,114
Cost of issuance - private placement	-	(46,500)
R&R Debenture conversion	376,197	376,999
R&R Debenture interest settlement	26,468	15,881
Steppe Debenture conversion	824,727	1,614,946
Steppe Debenture interest settlement	247,079	148,246
Directors' debt settlement	72,727	43,636
Balance, December 31, 2023	9,689,836	24,493,969
Issue of common shares (i)	1,375,000	825,000
Balance, September 30, 2024	11,064,836	25,318,969

- (i) Upon receipt of final TSXV approval for the Australian Transaction on February 22, 2024, the Company has issued an aggregate of 1,000,000 common shares of the Company to MoA and 375,000 common shares to WWC, MoA and WWC, at a deemed issue price of \$0.60 per common share (the "Consideration Shares") for a total consideration of \$825,000.

Aranjin Resources Ltd.

Notes to Condensed Interim Consolidated Financial Statements
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(Expressed in Canadian Dollars)(UNAUDITED)

(b) **Common shares**

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

7. Equity Reserves

Warrants

The following table reflects the continuity of warrants for the nine months ended September 30, 2024 and year ended December 31, 2023:

Warrants	Number of Warrants	Weighted Average Exercise Price \$
Balance, January 1, 2023	-	-
Private placement warrants	1,344,567	2.00
Balance, December 31, 2023	1,344,567	2.00
Balance, September 30, 2024	1,344,567	2.00

Each Warrant will be exercisable for one Share at a price of \$2.00 per Share for a period of 24 months from the closing of the Offering which was July 21, 2023, provided that in the event that the daily volume weighted average closing price of the Shares on the TSXV or a recognized Canadian stock exchange equals or exceeds \$4.00 for a period of 20 consecutive trading days, the Company may accelerate the expiry date of the Warrants by issuing a press release announcing the reduced Warrant term and in such case, the Warrants will expire on the 30th calendar day after the date such press release is issued.

8. Related Party Disclosures

The Company's related parties include its subsidiaries and key management personnel.

During the three and nine months ended September 30, 2024 and 2023, management fees paid, or otherwise accrued, to key management personnel (defined as officers and directors of the Company) are shown below:

	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
	\$	\$	\$	\$
Short term employee benefits	-	-	-	194,804
Total remuneration	-	-	-	194,804

There were outstanding balances of \$327,857 owing to the management as at September 30, 2024, compared to \$252,244 owed to the management as at year ended December 31, 2023. The Company has not paid any management fees in cash since June 2022 and ceased accrual of management fees effective June 30, 2023.