



(an exploration stage enterprise)

Condensed Interim Consolidated Financial Statements

Nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW

NOTICE TO READERS

Under National Instrument 51-102, Part 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 condensed interim consolidated financial statements of Eros Resources Corp. (an exploration stage company) are the responsibility of the Company's management. The condensed interim consolidated financial statements are prepared in accordance with Canadian generally accepted accounting principles and reflect management's best estimates and judgment based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded, and financial information is reliable.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal controls through an audit committee, which is comprised primarily of non-management directors.

The Company's independent auditors have not performed an audit or review of these condensed interim consolidated financial statements.

"Ronald K. Netolitzky"

Ronald K. Netolitzky
Chief Executive Officer

"Andrew Davidson"

Andrew Davidson
Chief Financial Officer

Vancouver, British Columbia
November 24, 2022

EROS RESOURCES CORP.*(an exploration stage enterprise)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(unaudited - expressed in Canadian dollars)

	Note	September 30, 2022	December 31, 2021
Assets			
Current			
Cash and cash equivalents		\$ 85,359	\$ 434,258
Accounts receivable		22,036	69,629
Prepaid expenses		19,507	32,069
		126,902	535,956
Marketable securities	4	10,646,203	20,677,456
Reclamation bonds		26,179	26,179
Exploration and evaluation interests	5	6,486,584	2,470,165
Right-of-use asset	11	982	982
Property and equipment	6	6,041	7,378
		\$ 17,292,891	\$ 23,718,116
Liabilities			
Current			
Accounts payable and accrued liabilities		\$ 3,330,294	\$ 419,988
Income taxes payable		152,750	152,750
Lease liability – short term	11	1,175	1,175
		3,484,219	573,913
Lease liability – long term	11	-	-
Decommissioning liability	10	139,795	139,795
Deferred income tax		3,096,542	3,096,542
		6,720,556	3,810,251
Shareholders' Equity			
Capital stock	7	74,809,125	74,809,125
Contributed surplus	7	1,061,840	1,061,840
Deficit		(65,298,630)	(55,963,100)
		10,572,335	19,907,866
		\$ 17,292,891	\$ 23,718,116

Note 1: Going Concern**On behalf of the Board:***"Tom MacNeill"*

Tom MacNeill, Director

"Ron Netolitzky"

Ron Netolitzky, Director

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

EROS RESOURCES CORP.*(an exploration stage enterprise)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

(unaudited - expressed in Canadian dollars)

	<u>Capital Stock</u>			Deficit	Total Shareholders' Equity
	Shares	Amount	Contributed Surplus		
Balance at January 1, 2021	97,893,741	\$ 74,809,125	\$ 1,061,840	\$ (57,047,782)	\$18,823,183
Net income for the period	-	-	-	(3,589,533)	(3,589,533)
Balance at September 30, 2021	97,893,741	\$ 74,809,125	\$ 1,061,840	\$ (60,637,315)	\$ 15,233,650
Balance at January 1, 2022	97,893,741	74,809,125	1,061,840	(55,963,100)	19,907,865
Net income for the period	-	-	-	(9,335,530)	(9,335,530)
Balance at September 30, 2022	97,893,741	\$ 74,809,125	\$ 1,061,840	\$ (65,298,630)	\$ 10,572,335

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

EROS RESOURCES CORP.*(an exploration stage enterprise)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF (LOSS) INCOME AND COMPREHENSIVE (LOSS) INCOME**

(unaudited - expressed in Canadian dollars)

		For the three months ended September 30		For the nine months ended September 30	
	Note	2022	2021	2022	2021
Revenues					
Oil Revenues		\$ -	\$ -	\$ -	\$ -
Net Revenue		-	-	-	-
Oil production expenses		39	1,317	(35)	5,717
Gross loss		39	1,317	(35)	5,717
Expenses					
Amortization		\$ 446	\$ 1,144	\$ 1,337	\$ 1,794
Consulting fees	8	15,000	15,000	45,000	45,000
Investor relations		4,984	7,161	28,379	31,038
Office and administration		17,456	12,337	48,691	48,100
Professional fees		2,102	3,885	11,041	19,475
Investment research		6,000	6,000	18,000	18,000
Transfer agent and listing fees		874	1,693	15,572	18,339
Travel		-	-	-	-
Wages and benefits	8	57,469	30,052	168,412	108,204
		(104,330)	(74,310)	(336,466)	(289,950)
Other items					
Gain (loss) on foreign exchange		(4,604)	(2,025)	(7,602)	(2,558)
Gain on sale of mineral property		-	-	-	-
Unrealized gain(loss) on marketable		(1,072,365)	(3,111,531)	(8,867,383)	(3,496,211)
Gain(loss) on sale of marketable		(109)	647,955	(124,079)	318,357
(Loss) Income before income taxes		(1,181,370)	(1,557,432)	(9,335,530)	(3,464,645)
Income taxes					
Deferred income tax		-	-	-	124,888
Net and comprehensive income (loss) for the period		(1,181,370)	(1,557,432)	(9,335,530)	(3,589,533)
Basic and diluted net income					
(loss) per share		\$ (0.01)	\$ (0.02)	\$ (0.10)	\$ (0.04)
Weighted average number of common shares outstanding					
		97,893,741	97,893,741	97,893,741	97,893,741

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

EROS RESOURCES CORP.*(an exploration stage enterprise)***CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS**

(unaudited - expressed in Canadian dollars)

	For the three months ended September 30		For the nine months ended September 30	
	2022	2021	2022	2021
Cash from operating activities				
Net income (loss) for the period	\$ (1,181,370)	\$ (1,577,432)	\$ (9,335,530)	\$ (3,589,533)
Add back non-cash items:				
Amortization	446	1,144	1,337	1,794
Loss (gain) on sale of marketable securities held for trading	109	(64,312)	124,079	(318,357)
Unrealized loss on marketable securities held for trading	251,527	1,557,011	8,867,383	3,496,211
Changes in non-cash working capital:				
Accounts receivable	21,944	896,173	47,593	1,134,536
Prepaid expenses	10,599	10,581	12,560	11,333
Accounts payable and accrued	(29,176)	(110,644)	1,410,305	(139,932)
Cash from (used in) operating activities	(925,921)	712,522	1,127,727	(596,211)
Investing activities				
Acquisition of marketable securities	300,000	(1,103,207)	(377,575)	(2,380,577)
Proceeds on sale of marketable securities	1,252,433	98,857	2,917,367	715,681
Acquisition of property and equipment	-	(3,640)	-	(3,640)
Exploration and evaluation expenditures	(69,269)	(82,221)	(4,016,419)	(82,221)
Cash from (used in) investing activities	883,164	(1,090,211)	(1,476,627)	(1,090,211)
Financing activities				
Share issuance costs	-	-	-	-
Cash from financing activities	-	-	-	-
Increase (decrease) in cash during the period	(42,756)	(377,690)	(348,899)	(1,285,807)
Cash and cash equivalents, beginning of the period	128,115	805,431	434,258	1,713,549
Cash and cash equivalents, end of the period	\$ 85,359	\$ 427,743	\$ 85,359	\$ 427,743
Cash and cash equivalents consist of:				
Cash	\$ 85,359	\$ 427,743	\$ 85,359	\$ 427,743
Short-term deposits	-	-	-	-
	\$ 85,359	\$ 427,743	\$ 85,359	\$ 427,743
Supplemental Cash Flow Information				
Interest received	\$ -	\$ -	\$ -	\$ -

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

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(expressed in Canadian dollars)

1. NATURE OF OPERATIONS

Eros Resources Corp.'s ("Eros" or the "Company") principal business activities include the acquisition, exploration and development of mineral and oil and gas resource properties in North America. The Company's corporate office is located at Suite 420, 789 West Pender Street, Vancouver, British Columbia V6C 1H2. Eros is a Tier 1 company and is listed on the TSX Venture Exchange ("TSX-V").

These consolidated financial statements have been prepared on a going concern basis in accordance with IFRS under the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business.

The Company's continuing operations, as intended, are dependent upon its ability to identify, evaluate and negotiate an acquisition of or participation in an interest in properties, assets or businesses.

The business of mining and exploring for minerals and oil and gas reserves involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration and evaluation assets and the Company's ability to continue as a going concern is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations or the ability of the Company to raise alternative financing.

2. BASIS OF PRESENTATION

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations Committee ("IFRIC") applicable to the preparation of interim financial statements, including International Accounting Standard 34 ("IAS 34"), Interim Financial Reporting.

These condensed interim consolidated financial statements include the accounts of Eros and its wholly owned subsidiaries, Anthem Resources Incorporated ("Anthem") and Otish Minerals Ltd., both companies incorporated in British Columbia, and Bell Mountain Exploration Corp. ("Bell Mountain"), a company incorporated in Nevada, USA. These condensed interim consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS as issued by the IASB.

Basis of measurement

These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. In addition, these financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value.

These condensed interim consolidated financial statements are presented in Canadian dollars, which is the Company's and its subsidiaries' functional currency.

The preparation of financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(expressed in Canadian dollars)

3. RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

Market risk

Market risk consists of interest rate risk, foreign currency risk and other price risk. Market risk to which the Company is exposed is as follows:

Interest rate risk

Interest rate risk consists of two components:

- (i) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
- (ii) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk.

Foreign currency risk

The Company is exposed to financial risk related to the fluctuation of foreign exchange rates. A significant change in the exchange rate between the Canadian dollar relative to the US dollar could have an effect on the Company's future results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. As at September 30, 2022 and December 31, 2021, the Company is exposed to currency risk through the following financial assets denominated in a currency other than the Canadian dollar:

	September 30, 2022		December 31, 2021	
	US \$	CDN \$	US \$	CDN \$
Cash	7,434	10,807	11,995	15,651
Accounts payable	(47,884)	(66,204)	(21,363)	(26,990)

Based on the above, assuming all other variables remain constant, a 10% strengthening of the Canadian dollar against the US dollar would have increased the Company's comprehensive income/loss by \$5,540 (2021 - \$1,100). A weakening of the Canadian dollar would have had the opposite effect.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company's marketable securities are carried at market value or fair value based on observable market values and are therefore directly affected by fluctuations in the market value of the underlying securities. Changes in market prices of securities in the portfolio have a material effect on net income (loss). A 20% increase in the market prices would have increased/decreased the Company's net income/loss by \$2,121,240 (2021 - \$4,133,000).

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements
For the periods ended September 30, 2022 and 2021
(expressed in Canadian dollars)****5. MARKETABLE SECURITIES**

September 30, 2022		
Company	Number of common shares	Equity securities
Skeena Resources Limited	819,500	\$ 5,293,970
MAS Gold Corp. ("MAS") ⁽²⁾	19,614,286	1,078,786
Acquisition Oil & Gas Corp.	500,000	750,000
Southern Empire Resources Corp. ⁽¹⁾	9,402,940	422,939
Nickel North Exploration Corp.	10,346,000	362,110
Eagle Plains Resources Corp.	1,511,000	256,870
Getty Copper Corp.	6,200,000	217,000
Tembo Resources Corp.	485,000	77,600
Cornish Metals Ltd.	250,000	70,000
Atico Mining Corp.	180,000	43,200
Other equities and warrants	-	2,073,728
		\$ 10,646,203

December 31, 2021		
Company	Number of common shares	Equity securities
Skeena Resources Limited	827,500	\$ 10,898,175
MAS Gold Corp. ("MAS") ⁽²⁾	19,614,286	1,961,429
Southern Empire Resources Corp. ⁽¹⁾	9,402,940	1,175,368
Cornish Metals Ltd.	975,000	565,500
Eagle Plains Resources Corp.	3,050,000	503,250
Nickel North Exploration Corp.	10,933,707	382,680
Getty Copper Inc.	6,200,000	372,000
Acquisition Oil & Gas Corp.	300,000	300,000
Metallic Minerals Corp.	333,000	154,845
Atico Mining Corp.	325,000	133,250
Tembo Resources	500,000	125,000
Other equities and warrants	-	4,105,959
		\$ 20,677,456

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements
For the periods ended September 30, 2022 and 2021
(expressed in Canadian dollars)****4. MARKETABLE SECURITIES (continued)**

- (1) Southern Empire Resources Corp. is a company with common management and a common director.
- (2) MAS is a company with a common director.

Securities were purchased and sold during the period, resulting in the realization of gains and losses. The fair value of equity securities is determined by reference to closing prices on a stock exchange. The continuity of the Company's marketable securities during the year ended December 31, 2021 is as follows:

	December 31, 2021	Additions	Proceeds from dispositions	Realized Gains	Unrealized Gains	September 30, 2022
	\$	\$	\$	\$	\$	\$
Investment in public entities:						
- Shares and shares purchase warrants	20,377,456	77,575	(1,417,367)	(124,079)	(8,867,383)	10,046,203
Investment in private entities:						
- Shares	300,000	300,000	-	-	-	600,000
Total	20,677,456	377,575	(1,417,367)	(124,079)	(8,867,383)	10,646,203

The continuity of the Company's marketable securities during the year ended December 31, 2021 is as follows:

	December 31, 2020	Additions	Proceeds from dispositions	Realized Gains	Unrealized Gains	December 31, 2021
	\$	\$	\$	\$	\$	\$
Investment in public entities:						
- Shares and shares purchase warrants	17,885,855	2,862,063	(1,668,342)	729,790	568,090	20,377,456
Investment in private entities:						
- Shares	-	300,000	-	-	-	300,000
Total	17,885,855	3,162,063	(1,668,342)	729,790	568,090	20,677,456

The marketable securities portfolio includes warrants where fair values were estimated using the Black Scholes option pricing model using the following ranges of inputs:

	2022	2021
Stock price	Closing prices	Closing prices
Exercise price	\$0.1 to \$0.48	\$0.10 to \$0.20
Expected life	0.25 to 2.99 years	0.10 to 4.73 years
Annualized volatility	80%	80%
Dividend rate	0%	0%
Risk free rate	3.33% to 3.87%	0.23% to 0.36%

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements
For the periods ended September 30, 2022 and 2021
(expressed in Canadian dollars)****5. EXPLORATION AND EVALUATION INTERESTS**

The exploration and evaluation assets that have been capitalized for the periods ended March 31, 2022 and December 31, 2021 are as follows:

	Saskatchewan	Saskatchewan	Nevada	Total
Commodity	Gold	Uranium	Gold-Silver	
			\$	
Balance at December 31, 2020	\$ -	\$ 22,343	2,207,740	\$ 2,230,083
Additions				
Land cost	-	-	-	-
Staking and maintenance	-	-	42,203	42,203
Geology/ geophysics	-	-	107,821	107,821
Field support	-	-	13,779	13,779
Environmental and socio-economic	-	-	78,279	78,279
Total additions for the year:	-	-	240,082	240,082
Impairment during the year:	-	-	-	-
Balance at December 31, 2021	-	22,343	2,447,822	2,470,165
Additions				
Staking and maintenance	-	-	41,569	41,569
Geology/ geophysics	-	-	15,456	15,456
Drilling	3,870,000	-	-	3,870,000
Field support	-	-	10,592	10,592
Environmental and socio-economic	-	-	78,802	78,802
Total additions for the year:	3,870,000	-	146,419	4,016,419
Impairment during the year:	-	-	-	-
Balance at Sept. 30, 2022	\$ 3,870,000	\$ 22,343	\$ 2,594,241	\$ 6,486,584

Realization of exploration and evaluation assets

The investment in and expenditures on exploration and evaluation assets comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment and maintenance of legal ownership, the attainment of successful production from the properties or from the proceeds of their disposal.

Mineral exploration and development is highly speculative and involves inherent risks. While the rewards if an ore body is discovered can be substantial, few properties that are explored are ultimately developed into producing mines. There can be no assurance that current exploration programs will result in the discovery of economically viable quantities of ore. There can be no assurance that compensation will be received for properties that have been or may be expropriated. The amounts shown for acquisition costs and deferred exploration expenditures represent costs incurred to date and do not necessarily reflect present or future values. These costs will be depleted over the useful lives of the properties upon commencement of commercial production or written off if the properties are abandoned or if the claims are allowed to lapse.

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION INTERESTS (continued)

Title to exploration and evaluation interests

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history of many mineral properties. The Company has investigated title to its mineral property interests in accordance with industry standards for the current stage of exploration of such properties, and, to the best of its knowledge, title to its properties are in good standing; however, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defects.

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest.

The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the properties may be diminished or negated.

a. Nevada

In August 2016, the Department of the Navy of the United States Department of Defense (the "Navy") issued a notice of its intent to prepare an Environmental Impact Statement ("EIS") regarding a proposed expansion of the Fallon Range Training Complex, including a proposed withdrawal and reservation of military use of public lands. The Company's Bell Mountain Project consists of unpatented mining claims that are located on federal lands within the proposed expansion area. As a result, surface activity on the Bell Mountain site has been prohibited by the Navy during the EIS period.

On July 10, 2018, the Bureau of Land Management ("BLM") announced that it has submitted an application to withdraw 769,724 acres for land management evaluation purposes for up to four years from all forms of appropriation under public land laws, subject to valid existing rights. The purpose of the withdrawal is to maintain current environmental baseline conditions, relative to mineral exploration and development, subject to valid existing rights, in support of a possible legislative transfer of land to the Department of Navy in furtherance of the Navy's proposed expansion of the Fallon Range Training Complex.

However, in a subsequent notice issued in August 2018, containing a specific listings of the lands subject to the moratorium, the properties held by Eros were specifically excluded from the moratorium, allowing the Company to again commence exploration activities.

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements

For the periods ended September 30, 2022 and 2021

(expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION INTERESTS (continued)

a. Nevada (continued)

Bell Mountain Property

The Company has earned 100% ownership of the Bell Mountain gold-silver property. An Advance Royalty Payment of \$20,000 is due annually on June 15 until such time as there is production from the property (paid during the year ended December 31, 2021). In conjunction with the updated notice from the BLM in August of 2018 which exempts the Bell Mountain project from the moratorium on exploration activities, the Company is once again actively exploring its Nevada properties.

b. British Columbia

Golden Triangle

The Company purchased a 5% minor investment interest in certain properties in the Golden Triangle area of northwest BC during the year ended December 31, 2016. During the year ended December 31, 2020, as the Company decided not to continue exploration on the properties, the Company impaired the properties in accordance with Level 3 of the fair value hierarchy and recorded an impairment loss of \$6,500.

c. Saskatchewan

Saskatchewan uranium interests

Hatchet Lake and Murphy Lake Joint Ventures

The Company has an interest in a joint venture property with Denison Mines Corp. ("Denison") as operator, located on the Wollaston Trend at the northeast margin of the Athabasca Basin. Eros holds a 29.89% joint venture interest for Hatchet Lake with further dilution expected.

Wollaston Trend

The Company has a 2% net smelter return royalty ("NSR") interest on 44 claims of uranium exploration lands along the Wollaston Trend underlying the southeast margin of the Athabasca Formation. Denison retains the right to purchase one-half of the NSR at any time for \$1,000,000.

Athabasca Basin – Uranium

The Company has a 100% interest in six claim groups in the Athabasca Northern Basin of Saskatchewan. Some of the claims are subject to a non-participating, non-voting, carried 0.5% NSR.

La Ronge Gold Belt

On December 20, 2021, MAS Gold Corp. and the Company signed an option agreement granting the Company an option for the exclusive right to earn a 17.5% interest in all of MAS 's current properties in the prospective La Ronge Gold Belt of north-eastern Saskatchewan by funding \$3,500,000 in exploration expenditures over a six-month period, starting from January 2022. The Company is required to fund \$3,500,000 expenditure before the option deadline, which is six months after the Exchange Approval Date. In the nine months ended September 30, 2022, Eros completed its funding commitment.

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements****For the periods ended September 30, 2022 and 2021****(expressed in Canadian dollars)****6. PROPERTY AND EQUIPMENT**

Cost	Oil & gas interests and equipment	Mineral exploration field equipment	Total
Balance, December 31, 2020 and 2021	\$ 392,210	\$ 100,080	\$ 492,290
Additions	-	-	-
Balance, Sept 30, 2022	\$ 392,210	\$ 100,080	\$ 492,290
Accumulated Amortization			
Balance, December 31, 2020	\$ 392,210	\$ 90,310	\$ 482,520
Amortization / depletion	-	2,392	2,392
Balance, December 31, 2021	\$ 392,210	\$ 92,702	\$ 484,912
Amortization / depletion	-	1,337	1,337
Balance, Sept 30, 2022	\$ 392,210	\$ 94,039	\$ 486,249
Carrying Value			
Balance, December 31, 2021	\$ -	\$ 7,378	\$ 7,378
Balance, Sept 30, 2022	\$ -	\$ 6,041	\$ 6,041

7. RIGHT-OF-USE ASSET AND LEASE LIABILITY

The Company has a lease agreement for the headquarter office space in Vancouver, British Columbia. Upon transition to IFRS 16, the Company recognized \$35,336 for a ROU asset and \$35,336 for a lease liability as at January 1, 2019.

The continuity of the ROU asset and lease liability for the periods ended September 30, 2022 and December 31, 2021 is as follows:

Right-of-use asset	
Value of right-of-use asset as at December 31, 2020	\$ 12,761
Amortization	(11,779)
Value of right-of-use asset as at December 31, 2021	\$ 982
Amortization	-
Value of right-of-use asset as at Sept. 30, 2022	\$ 982
Lease liability	
Lease liability recognized as of December 31, 2020	\$ 14,456
Lease payments	(14,182)
Lease interest	901
Lease liability recognized as of December 31, 2021	\$ 1,175
Lease payments	-
Lease interest	-
Lease liability recognized as of Sept. 30, 2022	\$ 1,175
Current portion	\$ 1,175
Long-term portion	-
	\$ 1,175

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements****For the periods ended September 30, 2022 and 2021****(expressed in Canadian dollars)****8. DECOMMISSIONING LIABILITY**

The Company has estimated the total discounted amount of future cash flows to settle decommissioning liabilities relating to its oil and gas interests to be \$139,796 (2021 - \$135,796) as at December 31, 2021. The total amount is expected to be incurred in the next 10 years and was discounted using an interest rate of 3%.

		Flaxcombe
Balance at December 31, 2020	\$	135,703
Accretion		4,093
Balance at December 31, 2021	\$	139,796
Accretion		-
Balance at Sept. 30, 2022	\$	139,796

Conversely, at its active mineral-exploration sites, the Company fulfils its site restoration obligations on an ongoing basis when a drill site is no longer required, and accordingly no liability is accrued for in relation to the Company's mineral properties. Management will continue to assess the provision for decommissioning as future exploration and development activity is undertaken.

9. SHARE CAPITAL AND CONTRIBUTED SURPLUS**Authorized**

Unlimited number of common shares without par value

Shares and warrants issued

On August 12, 2020, pursuant to a rights offering, the Company issued 48,446,887 units at a price of \$0.05 per unit, for total proceeds of \$2,422,344, with each unit comprised of one common share and one half of one common share purchase warrant with an exercise price of \$0.15 per whole warrant, exercisable until August 12, 2021, subject to early expiry in the event the 20-day weighted average trading price of the Common Shares exceeds \$0.30. Total share issuance cost of \$82,771 was recorded. In August 2021, the warrants were extended for 12 months and now expire on August 12, 2022.

On August 13, 2020, the Company issued 1,000,000 units at a price of \$0.075 per unit, for total proceeds of \$75,000, with each unit comprised of one common share and one half of one common share purchase warrant with an exercise price of \$0.15 per whole warrant for a period of 24 months.

On August 10, 2022, the Company extended the expiry of its warrants originally set to expire on August 12 and 13, 2022 to August 12 and 13, 2025.

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements****For the periods ended September 30, 2022 and 2021****(expressed in Canadian dollars)****9. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)****Warrants**

Warrant transactions are summarized as follows:

	Number	Warrants Weighted Average Exercise Price
Outstanding, December 31, 2020	24,723,444	\$0.15
Issued	-	-
Outstanding, Sept. 30, 2022 and December 31, 2021	24,723,444	\$0.15
Number currently exercisable	24,723,444	\$ 0.15

At September 30, 2022, warrants were outstanding as follows:

Grant date	Number of Shares	Exercise Price	Expiry Date
August 12, 2020	24,223,444	\$ 0.15	August 12, 2025
August 13, 2020	500,000	\$ 0.15	August 13, 2025
	24,723,444		

The weighted average remaining contractual life of the warrants is 3 (December 31, 2021 - 0.61) years

Stock options

The Company has a stock option plan under which it is authorized to grant options to executive officers, directors, employees and consultants. Pursuant to the policies of the TSX-V, the Company is authorized to grant options to acquire up to 10% of its issued and outstanding common shares. The exercise price of each option granted under the plan is greater than or equal to the closing market price of the Company's shares on the date of each grant. The maximum term of each option is five years.

Share-based payments

Stock option transactions are summarized as follows:

	Number	Stock Options Weighted Average Exercise Price
Outstanding, December 31, 2020	3,475,000	\$ 0.113
Expired	(675,000)	\$ 0.20
Outstanding, December 31, 2021	2,800,000	\$ 0.092
Expired	(400,000)	\$ 0.165
Outstanding, Sept 30, 2022	2,400,000	\$ 0.08
Number currently exercisable	2,400,000	\$ 0.08

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements
For the periods ended September 30, 2022 and 2021
(expressed in Canadian dollars)****9. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)**

At September 30, 2022, stock options were outstanding as follows:

Grant date	Number of Shares	Exercise Price	Expiry Date
July 30, 2019	2,400,000	\$0.080	July 30, 2024

The weighted average remaining contractual life of the options is 1.75 (2021 - 2.31) years.

At December 31, 2021, stock options were outstanding as follows:

Grant date	Number of Shares	Exercise Price	Expiry Date
August 29, 2017	400,000	\$ 0.165	August 29, 2022
July 30, 2019	2,400,000	\$0.08	July 30, 2024
	2,800,000		

10. RELATED PARTY BALANCES

In addition to the related party information disclosed elsewhere in the consolidated financial statements, the following significant transactions between the Company and its related parties took place during the financial year at terms agreed between the parties concerned:

Key management compensation

Key management personnel at the Company are the directors and officers of the Company. The remuneration of key management personnel during the periods ended September 30, 2022 and December 31, 2021 was as follows:

	2022	2021
Share-based payment	\$ -	\$ -
Short-term benefits	¹ \$ 72,727	\$ 96,926

¹ Short-term benefits consist exclusively of salaries, bonuses, health benefits and consulting fees for key management personnel.

Other than the amounts disclosed above, there were no short-term employee benefits or share-based payments paid to key management personnel during the periods ended September 30, 2022 and December 31, 2021.

Included in trade and other payables is an amount of \$200,000 (2021 - \$200,000) payable to related parties as at September 30, 2022 and December 31, 2021.

The amounts due to related companies are unsecured, non-interest bearing, repayable on demand and are to be settled in cash. The carrying amounts of the amounts due to related parties approximate their fair values.

During the period ended September 30, 2022, the Company had the following significant transactions with its related parties:

- Advanced \$3,870,000 as a part of its earn-in on the La Ronge gold belt projects in Saskatchewan.

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements**For the periods ended September 30, 2022 and 2021****(expressed in Canadian dollars)**

10. RELATED PARTY BALANCES (continued)

During the year ended December 31, 2021, the Company had the following significant transactions with its related parties:

- Purchased 100,000 units of Southern Empire Resources Corp., a company with common management and a common director, at a price of \$0.10 per unit. Each unit consists of one common share and one common share purchase warrant exercisable into one common share at a price of \$0.15 for a period of 36 months.
- Exercised 7,823,810 common share purchase warrants in MAS, a company with a common director, receiving 7,823,810 common shares and 3,703,571 common share purchase warrants exercisable into one common share at a price of \$0.20 for a period of 24 months.

11. SEGMENTED INFORMATION

The Company operates in two business segments being the exploration and development of mineral resource properties and investing in marketable securities with a focus on commodities, with operations and long-term assets in the United States and Canada. The Company's operations are segmented on a district basis due to the geographic locations of the Company's exploration operations. At September 30, 2022, long-term assets of \$6,519,786 (December 31, 2021 - \$2,474,000) relates to mineral resource properties and reclamation bonds located in the United States with the remaining of \$10,646,203 (December 31, 2021 - \$20,708,160) located in Canada.

12. CAPITAL DISCLOSURES

The Company manages its capital structure and makes adjustments to it based on the funds available to the Company, in order to support the acquisition and exploration of mineral properties, oil and gas exploration and development, and other strategic investments. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company defines capital as shareholders' equity. The Company is not exposed to any capital requirements.

The Company has historically relied on the equity markets to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. In addition, the Company evaluates investment opportunities, as well as existing investments, for suitability and potential on an ongoing basis. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital risk management approach was unchanged in the third quarter of 2022. There were no capital restrictions in the period ended September 30, 2022 and the Company had no debt aside from trade payables, income taxes and lease liability.

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements****For the periods ended September 30, 2022 and 2021****(expressed in Canadian dollars)****13. COMMITMENTS**

In fiscal 2014, there was an involuntary disposition of the Company's Canadian mineral property for which the Company received \$26,400,000 from the Government of British Columbia. In fiscal 2014, the Company elected to defer \$15,147,419 of the proceeds as income inclusion under s.59.1 election of the Income Tax Act. The elected amount can be offset by Canadian exploration expenses, Canadian development expenses and/or Canadian oil and gas property expenses (collectively referred to as "Mineral Property Expenses"). If the amount cannot be offset by 2024, the Company will have to include the remaining elected amount as income in the 2014 income tax return. As at December 31, 2021, the Company has a further \$7,500,000 to spend on qualified Mineral Property Expenses by 2024 in order to avoid the income inclusion under s.59.1 election.

As at September 30, 2022, the Company was committed to pay for office premises leases expiring in January 2022; however, there was an extension agreement entered into during the year to extend the lease until January 31, 2025. The Company's minimum lease payments over the next years, in aggregate, will be as follows:

	\$
2022	14,690
2023	15,198
2024	15,706
2025	1,312
Total	46,906

14. EARNINGS PER SHARE

The calculation of basic and diluted earnings (loss) per share for the relevant years is based on the following:

	Sept 30, 2022	December 31, 2021
Net (loss) income	\$ (9,335,530)	\$ 1,084,682
Basic weighted average number of common shares outstanding	97,893,741	97,893,741
Effect on dilutive securities:		
Options	-	549,391
Diluted weighted average number of common shares outstanding	97,893,741	98,443,132
Basic income per share	\$ (0.10)	\$ 0.02
Diluted income per share	\$ (0.10)	\$ 0.01