



(an exploration stage enterprise)

Condensed Interim Consolidated Financial Statements

Nine months ended September 30, 2023 and 2022

(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 28, 2023

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

(unaudited - expressed in Canadian dollars)

	Note	September 30, 2023	December 31, 2022
Assets			
Current			
Cash and cash equivalents		\$ 331,328	\$ 61,074
Accounts receivable		405,837	500,352
Prepaid expenses		19,230	33,827
		756,395	592,253
Marketable securities	4	7,623,618	11,160,489
Reclamation bonds		26,179	26,179
Exploration and evaluation interests	5	6,395,994	6,219,435
Right-of-use asset	11	27,272	27,272
Property and equipment	6	4,596	5,596
		\$ 14,834,054	\$ 18,034,224
Liabilities			
Current			
Accounts payable and accrued liabilities		\$ 137,797	\$ 259,497
Margin loan payable		1,080,428	1,245,493
Due to related parties		2,352,000	2,020,748
Income taxes payable		190,938	190,938
Lease liability – short term	11	28,764	12,755
		3,789,927	3,729,431
Lease liability – long term	11	-	16,009
Decommissioning liability	10	144,011	144,011
Deferred income tax		1,882,285	1,882,285
		5,816,222	5,771,736
Shareholders' Equity			
Capital stock	7	74,809,125	74,809,125
Contributed surplus	7	1,061,840	1,061,840
Deficit		(66,853,134)	(63,608,477)
		9,017,831	12,262,488
		\$ 14,834,054	\$ 18,034,224

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, 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
Balance at January 1, 2023	97,893,741	74,809,125	1,061,840	(63,608,477)	12,262,488
Net income for the period	-	-	-	(3,244,657)	(3,244,657)
Balance at September 30, 2023	97,893,741	\$ 74,809,125	\$ 1,061,840	\$ (66,853,134)	\$ 9,017,831

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)

	Note	For the three months ended September 30		For the nine months ended September 30	
		2023	2022	2023	2022
Revenues					
Oil Revenues		\$ -	\$ -	\$ -	\$ -
Net Revenue		-	-	-	-
Oil production expenses		3	(130)	(42)	(73)
Gross loss		3	(130)	(42)	(73)
Expenses					
Amortization		\$ 333	\$ 446	\$ 1,000	\$ 891
Consulting fees	8	24,000	15,000	60,000	30,000
Finance costs		30,047	-	122,721	-
Investor relations		6,429	6,387	19,155	23,394
Office and administration		14,192	15,168	43,120	31,235
Professional fees		506	8,708	15,592	8,939
Investment research		6,000	6,000	18,000	12,000
Transfer agent and listing fees		890	3,930	13,082	14,698
Travel		-	-	-	-
Wages and benefits	8	55,639	62,148	182,953	110,943
		(138,037)	(117,787)	(475,624)	(232,101)
Other items					
Gain (loss) on foreign exchange		(2,393)	(2,120)	(3,414)	(2,998)
Gain on sale of mineral property		-	-	-	-
Unrealized gain(loss) on marketable		(631,678)	(8,447,281)	(2,659,381)	(7,795,017)
Gain(loss) on sale of marketable		135,539	(5,970)	(106,275)	(123,970)
(Loss) Income before income taxes		(636,564)	(1,737,564)	(3,244,657)	(8,154,160)
Income taxes					
Deferred income tax		-	-	-	-
Net and comprehensive income (loss) for the period		(636,564)	(8,573,287)	(3,244,657)	(8,154,160)
Basic and diluted net income (loss) per share		\$ (0.01)	\$ (0.08)	\$ (0.03)	\$ (0.08)
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	
	2023	2022	2023	2022
Cash from operating activities				
Net income (loss) for the period	\$ (636,565)	\$ (1,181,370)	\$ (3,244,657)	\$ (9,335,530)
Add back non-cash items:				
Amortization	333	446	1,000	1,337
Loss (gain) on sale of marketable	(135,539)	109	106,275	124,079
Unrealized loss on marketable securities held for trading	931,805	251,527	1,190,697	8,867,383
Changes in non-cash working capital:				
Accounts receivable	97,974	21,944	94,515	47,593
Prepaid expenses	10,962	10,599	14,594	12,560
Accounts payable and accrued	197,625	(29,176)	44,488	1,410,305
Cash from (used in) operating activities	111,505	(925,921)	(1,793,088)	1,127,727
Investing activities				
Acquisition of marketable securities	(141,143)	300,000	(196,143)	(377,575)
Proceeds on sale of marketable securities	320,852	1,252,433	2,436,043	2,917,367
Exploration and evaluation expenditures	(76,745)	(69,269)	(176,558)	(4,016,419)
Cash from (used in) investing activities	102,963	883,164	2,063,341	(1,476,627)
Increase (decrease) in cash during the period	214,469	(42,756)	270,254	(348,899)
Cash and cash equivalents, beginning of the period	116,859	128,115	61,074	434,258
Cash and cash equivalents, end of the period	\$ 331,328	\$ 85,359	\$ 331,328	\$ 85,359
Cash and cash equivalents consist of:				
Cash	\$ 331,328	\$ 85,359	\$ 331,328	\$ 85,359
Short-term deposits	-	-	-	-
	\$ 331,328	\$ 85,359	\$ 331,328	\$ 85,359
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, 2023 and 2022

(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, 2022, 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, 2023 and 2022 (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, 2023 and December 31, 2022, the Company is exposed to currency risk through the following financial assets denominated in a currency other than the Canadian dollar:

	September 30, 2023		December 31, 2022	
	US \$	CDN \$	US \$	CDN \$
Cash	2,327	329,000	6,038	8,1778
Accounts payable	(69,057)	(28,814)	(76,611)	(103,363)

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 loss by \$6,673 (2022 - \$7,057). 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 decreased the Company's net loss by \$1,524,724 (2022 - \$2,232,098).

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements
For the periods ended September 30, 2023 and 2022
(expressed in Canadian dollars)****4. MARKETABLE SECURITIES**

September 30, 2023		
Company	Number of common shares	Equity securities
Skeena Resources Limited	718,500	\$ 4,461,885
Acquisition Oil and Gas	500,000	750,000
MAS Gold Corp.	39,228,572	588,429
Southern Empire Resources Corp. ⁽¹⁾	9,402,940	516,926
Getty Copper Corp.	6,200,000	372,000
Nickel North Exploration Corp.	10,200,000	153,000
Eagle Plains Resources Corp.	675,000	91,125
Metallic Minerals	105,000	42,000
Other equities and warrants	-	648,253
		\$ 7,623,618

December 31, 2022		
Company	Number of common shares	Equity securities
Skeena Resources Limited	819,500	\$ 5,908,595
Southern Empire Resources Corp. ⁽¹⁾	9,402,940	940,294
MAS Gold Corp. ("MAS") ⁽²⁾	19,614,286	784,571
Acquisition Oil & Gas Corp.	500,000	750,000
Nickel North Exploration Corp.	10,346,000	310,380
Eagle Plains Resources Corp.	1,130,000	214,700
Getty Copper Inc.	6,200,000	310,000
Tembo Resources	435,000	80,475
Cornish Metals Ltd.	150,000	46,500
Atico Mining Corp.	75,000	15,750
Other equities and warrants	-	1,799,224
		\$ 11,160,489

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements****For the periods ended September 30, 2023 and 2022****(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 nine months ended September 30, 2023 is as follows:

	December 31, 2022	Additions	Proceeds from dispositions	Realized Gains	Unrealized Gains	September 30, 2023
	\$	\$	\$	\$	\$	\$
Investment in public entities:						
- Shares and shares purchase warrants	10,410,489	196,143	(2,436,042)	(106,275)	(1,190,697)	6,873,618
Investment in private entities:						
- Shares	750,000	-	-	-	-	750,000
Total	11,160,489	196,143	(2,436,042)	(106,275)	(1,190,697)	7,623,618

The continuity of the Company's marketable securities during the year ended December 31, 2022 is as follows:

	December 31, 2021	Additions	Proceeds from dispositions	Realized Gains	Unrealized Gains	December 31, 2022
	\$	\$	\$	\$	\$	\$
Investment in public entities:						
- Shares and shares purchase warrants	20,377,456	209,077	(1,667,178)	(193,158)	(8,295,708)	10,410,489
Investment in private entities:						
- Shares	300,000	300,000	-	-	150,000	750,000
Total	20,677,456	509,077	(1,667,178)	(193,158)	(8,145,708)	11,160,489

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

	2023	2022
Stock price	Closing prices	Closing prices
Exercise price	\$0.1 to \$0.20	\$0.05 to \$0.20
Expected life	0.21 to 2.48 years	0.48 to 2.73 years
Annualized volatility	80%	80%
Dividend rate	0%	0%
Risk free rate	4.83% to 4.87%	3.82% to 4.07%

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements
For the periods ended September 30, 2023 and 2022
(expressed in Canadian dollars)****5. EXPLORATION AND EVALUATION INTERESTS**

The exploration and evaluation assets that have been capitalized for the periods ended September 30, 2023 and December 31, 2022 are as follows:

	Saskatchewan	Saskatchewan	Nevada	Total
Commodity	Gold	Uranium	Gold-Silver	
Balance at December 31, 2021	\$ -	\$ 22,343	\$ 2,447,822	\$ 2,470,165
Additions				
Land cost	-	-	-	-
Staking and maintenance	-	-	41,569	42,203
Royalties	-	-	40,000	40,000
Geology/ geophysics	-	-	54,243	54,243
Drilling	3,500,000	-	-	3,500,000
Field support	-	-	14,329	14,329
Environmental and socio-economic	-	-	99,129	99,129
Total additions for the year:	3,500,000	-	249,270	3,749,270
Impairment during the year:	-	-	-	-
Balance at December 31, 2022	3,500,000	22,343	2,697,092	6,219,435
Additions				
Staking and maintenance	-	-	43,193	43,193
Royalties	-	-	20,000	20,000
Geology/ geophysics	-	-	21,287	21,287
Drilling	-	-	-	-
Field support	-	-	11,317	11,317
Environmental and socio-economic	-	-	80,762	80,762
Total additions for the period:	-	-	176,559	176,559
Impairment during the period:	-	-	-	-
Balance at September 30, 2023	\$ 3,500,000	\$ 22,343	\$ 2,873,651	\$ 6,395,994

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

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements

For the periods ended September 30, 2023 and 2022

(expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION INTERESTS (continued)

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.

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

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements

For the periods ended September 30, 2023 and 2022

(expressed in Canadian dollars)

5. EXPLORATION AND EVALUATION INTERESTS (continued)

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.

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. 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 six months ended June 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, 2023 and 2022****(expressed in Canadian dollars)****6. PROPERTY AND EQUIPMENT**

Cost	Oil & gas interests and equipment	Mineral exploration field equipment	Total
Balance, December 31, 2021 and 2022	\$ 392,210	\$ 100,080	\$ 492,290
Additions	-	-	-
Balance, September 30, 2023	\$ 392,210	\$ 100,080	\$ 492,290
Accumulated Amortization			
Balance, December 31, 2021	\$ 392,210	\$ 90,702	\$ 482,912
Amortization / depletion	-	1,782	1,782
Balance, December 31, 2022	\$ 392,210	\$ 94,485	\$ 486,695
Amortization / depletion	-	1,000	1,000
Balance, September 30, 2023	\$ 392,210	\$ 95,485	\$ 487,695
Carrying Value			
Balance, December 31, 2022	\$ -	\$ 5,595	\$ 5,595
Balance, September 30, 2023	\$ -	\$ 4,595	\$ 4,595

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, 2023 and December 31, 2022 is as follows:

Right-of-use asset	
Value of right-of-use asset as at December 31, 2021	\$ 982
Additions	39,272
Amortization	(12,982)
Value of right-of-use asset as at December 31, 2022	\$ 27,272
Amortization	-
Value of right-of-use asset as at September 30, 2023	\$ 27,272
Lease liability	
Lease liability recognized as of December 31, 2021	\$ 1,175
Additions	39,272
Lease payments	(14,689)
Lease interest	3,006
Lease liability recognized as of December 31, 2022	\$ 28,764
Lease payments	-
Lease interest	-
Lease liability recognized as of September 30, 2023	\$ 28,764
Current portion	\$ 28,764
Long-term portion	-
	\$ 28,764

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements
For the periods ended September 30, 2023 and 2022
(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, 2021	\$	139,796
Accretion		4,215
Balance at December 31, 2022	\$	144,011
Accretion		-
Balance at September 30, 2023	\$	144,011

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

There has been no change in shares issued and outstanding in the nine-months ended September 30, 2023 or the year ended December 31, 2022.

Warrants

Warrant transactions are summarized as follows:

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

On August 10, 2022, the Company extended the expiry date of 24,723,444 warrants 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, 2023 and 2022
(expressed in Canadian dollars)****9. SHARE CAPITAL AND CONTRIBUTED SURPLUS (continued)**

At June 30, 2023, 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 1.87 (December 31, 2022 – 2.62) 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:

	Stock Options	
	Number	Weighted Average Exercise Price
Outstanding, December 31, 2021	2,800,000	\$ 0.092
Expired	(400,000)	\$ 0.165
Outstanding, December 31, 2022	2,400,000	\$ 0.080
Expired	-	-
Outstanding, September 30, 2023	2,400,000	\$0.080
Number currently exercisable	2,400,000	\$ 0.080

At September 30, 2023, 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
	2,400,000		

At December 31, 2022, stock options were outstanding as follows:

Grant date	Number of Shares	Exercise Price	Expiry Date
July 30, 2019	2,400,000	\$0.08	July 30, 2024
	2,400,000		

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements For the periods ended September 30, 2023 and 2022 (expressed in Canadian dollars)

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, 2023 and December 31, 2022 was as follows:

	September 30, 2023	December 31, 2022
Short-term benefits	¹ \$ 87,579	\$ 97,002

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, 2023 and December 31, 2022.

Included in the consolidated statements of financial position is an amount of \$2,352,000 (2022 - \$2,020,748) payable to related parties which includes the directors and officers of the Company.

The amounts due to related parties 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 year ended December 31, 2022, the Company had the following significant transaction with its related parties:

- Funds advanced to MAS Gold Corp. of \$3,500,000 to incur drilling expenditure on behalf of the Company as a part of its earn-in on the La Ronge gold belt projects in Saskatchewan and advanced a further \$370,000 as a loan which is non-interest bearing, unsecured and due on demand. As described in note 5, if the Company enters the Joint Venture with MAS, the \$370,000 advance is to be expensed by MAS Gold Corp. for qualified Mineral Property Expenditure during 2023.

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, 2023, long-term assets of \$2,873,649 (December 31, 2022 - \$2,723,271) relates to mineral resource properties and reclamation bonds located in the United States with the remaining of \$11,960,405 (December 31, 2022 - \$14,715,700) located in Canada.

EROS RESOURCES CORP.

(an exploration stage enterprise)

Notes to the Consolidated Financial Statements

For the periods ended September 30, 2023 and 2022

(expressed in Canadian dollars)

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 nine-months ended September 30, 2023. There were no capital restrictions in the period ended September 30, 2023 and the Company had no debt aside from trade payables, margin loan payable, income taxes and lease liability.

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 \$3,480,000 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, 2023, 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:

	<u>\$</u>
2023	11,398
2024	15,198
2025	1,312
Total	<u>28,416</u>

EROS RESOURCES CORP.*(an exploration stage enterprise)***Notes to the Consolidated Financial Statements****For the periods ended September 30, 2023 and 2022****(expressed in Canadian dollars)****14. EARNINGS PER SHARE**

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

	September 30, 2023	December 31, 2022
Net (loss) income	\$ (3,244,657)	\$ (7,645,377)
Basic weighted average number of common shares outstanding	97,893,741	97,893,741
Effect on dilutive securities:		
Options	-	-
Diluted weighted average number of common shares outstanding	97,893,741	97,893,741
Basic income per share	\$ (0.03)	\$ (0.08)
Diluted income per share	\$ (0.03)	\$ (0.08)

15. SUBSEQUENT EVENTS

Subsequent to the end of the quarter, the Company announced that it had entered into an agreement with Lincoln Gold Mining ("Lincoln") to sell the Bell Mountain project. Under the terms of the agreement, Eros will receive the following as consideration for the sale of 100% of Bell Mountain:

1. 3,000,000 shares of Lincoln, payable at the closing of the transaction.
2. 1,500,000 shares of Lincoln within five days of Lincoln completing a private placement and issuing sufficient common shares to bring its issued and outstanding share count to 28,500,000.
3. A 7.5% net smelter returns royalty from any gold or silver extracted from the project to a maximum of USD\$2,000,000 in total.

This proposed transaction is subject to multiple levels of approval, including TSX Venture Exchange approval and potentially shareholder approval for both of Eros and Lincoln.