

ZINCORE METALS INC.

**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**

For the nine months ended September 30, 2022 and 2021

(Unaudited)

(In Canadian Dollars)

Zincore Metals Inc.

Notice to Reader:

These condensed consolidated interim financial statements of Zincore Metals Inc. (the “Company”) have been prepared by management and reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed consolidated interim financial statements, notes to condensed consolidated financial statements and the related quarterly Management Discussion and Analysis.

ZINCORE METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Unaudited, in Canadian dollars)

	Notes	September 30, 2022	December 31, 2021
ASSETS			
Current			
Cash		\$ 7,311	\$ 10,510
Prepaid and other receivables		8,054	4,133
Total Assets		\$ 15,365	\$ 14,643
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Accounts Payable & Accrued Liabilities		\$ 116,562	\$ 760,647
Promissory note	6	1,768,145	437,514
Shareholder loan	6	-	546,060
		1,884,707	1,744,221
Shareholders' Equity			
Share Capital	4	57,015,123	57,015,123
Reserves		11,879,724	11,879,724
Deficit		(70,764,190)	(70,624,425)
		(1,869,343)	(1,729,578)
Total Equity and Liabilities		\$ 15,364	\$ 14,643

Note 1 – Nature of operations

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

ZINCORE METALS INC.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF OPERATIONS AND
COMPREHENSIVE LOSS***(Unaudited, in Canadian dollars)*

		Three months ended		Nine months ended	
	Notes	September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
EXPENSES					
Consulting and management fee	7	\$ (18,000)	\$ (9,000)	\$ (72,000)	\$ (27,000)
Foreign exchange gain		-	(15,585)	(6,634)	(3,452)
Legal and accounting		-	(13,292)	-	(34,406)
General administration		(19,658)	(4,935)	(61,622)	(21,042)
Interest expenses		-	(10,811)	-	(30,848)
Shareholder information		(1,820)	-	(11,839)	-
Gain on debt settlement		-	16,019	12,330	48,447
NET LOSS		(39,478)	(37,604)	(139,765)	(68,301)
OTHER COMPREHENSIVE INCOME					
Foreign currency translation differences in foreign operations		-	(25,333)	-	(891)
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(39,478)	(62,937)	(139,765)	(69,192)
Loss per share - Basic and Diluted		\$ (0.00)	\$ (0.00)	\$ (0.01)	\$ (0.00)
Weighted average number of shares outstanding – basic & diluted		19,106,338	19,106,338	19,106,338	19,106,338

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

ZINCORE METALS INC.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited, in Canadian dollars, except share number)

	Issued Common Shares		Share-Based Payment Reserve	Reserves		Deficit	Total Equity
	Number	Amount Received		Warrants Reserve	Foreign Currency Translation Reserve		
		\$	\$	\$	\$	\$	\$
BALANCE, DECEMBER 31, 2021	19,106,338	57,015,123	4,585,368	4,898,538	2,395,818	(70,624,425)	(1,729,578)
Net loss	-	-	-	-	-	(139,765)	(139,765)
BALANCE, September 30, 2022	19,106,338	57,015,123	4,585,368	4,898,538	2,395,818	(70,764,190)	(1,869,343)
BALANCE, DECEMBER 31, 2020	19,106,338	57,015,123	4,585,368	4,898,537	2,388,052	(70,530,992)	(1,643,912)
Net loss	-	-	-	-	-	(68,301)	(68,301)
Other comprehensive income	-	-	-	-	(891)	-	(891)
BALANCE, September 30, 2021	19,106,338	57,015,123	4,585,368	4,898,537	2,387,161	(70,599,293)	(1,713,104)

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

ZINCORE METALS INC.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited, in Canadian dollars)

	Notes	Three months ended		Nine months ended	
		September 30, 2022	September 30, 2021	September 30, 2022	September 30, 2021
CASH FLOWS FROM OPERATING ACTIVITIES					
Net loss for the period		\$ (39,478)	\$ (37,604)	\$ 139,765	\$ (68,301)
Items not affecting cash:					
Gain on debt settlement		-	(16,019)	(12,330)	(48,447)
Foreign exchange		-	15,585	6,634	3,452
		(39,478)	(38,038)	(145,461)	(113,296)
Changes in Non-Cash Working Capital Items:					
Receivables		1,383	2,985	(3,921)	(3,603)
Accounts payable and accrued liabilities		28,921	34,627	75,182	28,783
Net Cash (Used in) Flow by Operating Activities		(9,174)	(426)	(74,200)	(88,116)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from promissory note		-	-	71,000	-
Net Cash (Used in) Flow by Investing Activities		-	-	71,000	-
Change in Cash During the period		(9,174)	(426)	(3,200)	(88,116)
Cash, Beginning of period		16,484	\$ 19,354	10,510	107,044
Cash, End of period		\$ 7,310	\$ 18,928	\$ 7,310	\$ 18,928

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

ZINCORE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
ENDED SEPTEMBER 30, 2022 AND 2021**

(Unaudited, in Canadian dollars)

1. NATURE OF OPERATIONS

Zincore Metals Inc. (“Zincore” or the “Company”) located at 1166 Alberni Street, Suite 1201, Vancouver BC, V6E 3Z3, is an exploration company focused on the identification, acquisition, exploration, evaluation and development of zinc and related base metals projects in Peru. Its primary objective is to define economically feasible projects through focused exploration and to develop, joint venture, or sell properties of economic merit. As at December 31, 2021 and September 30, 2022, the Company no longer holds any exploration properties.

These condensed consolidated interim financial statements have been prepared on a going concern basis. Zincore does not generate cash flows from operations and accordingly, Zincore will need to raise additional funds through future issuance of securities, loans or other financing. Although Zincore has been successful in raising funds in the past, there can be no assurance Zincore will be able to raise sufficient funds in the future, in which case Zincore may be unable to meet its obligations as they come due in the normal course of business. It is not possible to predict whether financing efforts will be successful or if Zincore will attain a profitable level of operations. As of September 30, 2022, Zincore has incurred cumulative losses of \$70,764,190 (December 31, 2021 – \$70,624,425) since inception and has a working capital deficit of \$1,869,343 (December 31, 2021 deficit - \$1,729,578) and is unable to pay all of its commitments as they come due. The Company is currently pursuing its alternatives for financing, including potential partnerships. These factors indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Should Zincore be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts on the statements of consolidated financial position.

ZINCORE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
ENDED SEPTEMBER 30, 2022 AND 2021**

(Unaudited, in Canadian dollars)

The Company was incorporated as Peru Zinc Corporation on September 21, 2005 in the Province of British Columbia. The Company subsequently changed its name to Southern Zinc Corporation on April 26, 2006 and to Zincore Metals Inc. on June 5, 2006. In November 2006, Zincore completed an initial public offering and commenced trading on the Toronto Stock Exchange (“TSX”). In May 2010, the Company’s shares were approved for trading on the Lima Stock Exchange, or Bolsa de Valores de Lima (“BVL”). On March 20, 2015, the Company announced that it had applied for voluntary delisting of its shares from the TSX and concurrently applied for a listing on the NEX, a separate board of the TSX-V. At market close on March 30, 2015, the Company’s shares ceased to trade on the TSX and commenced trading on the NEX at market open on March 31, 2015 under the symbol “ZNC.H”. Given that the Company’s listing on the BVL was conditional in part on a TSX or TSX-V listing, the Company’s shares ceased to trade on the BVL during the first quarter of 2015. Zincore shares are not differentiated based on the exchange they are bought or sold on. Accordingly, shareholders who purchased shares on the BVL are still able to complete transactions on the NEX subject to the capabilities of their broker/dealer. On July 26, 2016, the Company’s shares commenced trading on the NEX, on a consolidated basis at the open of market. The Company’s name and trading symbol (ZNC.H) remain the same.

In 2019, the Company announced a potential transaction which halted the Company’s common shares in trading. In 2020, the Company mutually terminated transaction with the targeted company. The Company resumed trading on July 12, 2022 and is currently looking for other ventures to build value for its shareholders.

ZINCORE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS ENDED SEPTEMBER 30, 2022 AND 2021

(Unaudited, in Canadian dollars)

COVID-19

During March 2020, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on businesses through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, business operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

For period ended September 30, 2022, COVID-19 has hindered business travel and corporate development opportunities for the Company. Impact in 2022 remains unknown.

These interim consolidated financial statements were authorized by the Board of Directors on November 29, 2022.

2. SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 Interim Financial Reporting have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with IFRS have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the December 31, 2021 audited annual consolidated financial statements and the notes.

These unaudited condensed consolidated interim financial statements are based on the IFRS effective as of the date these unaudited condensed consolidated interim financial statements were authorized for issuance by the Company’s Board of Directors (see note 1), and follow the same accounting policies and methods of computation as the most recent annual consolidated financial statements.

ZINCORE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
ENDED SEPTEMBER 30, 2022 AND 2021***(Unaudited, in Canadian dollars)*

3. KEY ASSUMPTIONS AND SIGNIFICANT JUDGEMENTS**Significant Accounting Judgments and Estimates**

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments and estimates and form assumptions that affect the reported amount of assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenues and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions.

In preparing these condensed consolidated interim financial statements, significant judgments made by management in applying the Company's accounting policies and the key sources of estimation were the same as those that applied to the consolidated financial statements as at and for the year ended December 31, 2021.

4. SHARE CAPITAL

Authorized: Unlimited common shares without par value

Stock Options

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

	Number of Shares	Weighted Average Exercise Price
Options outstanding as at December 31, 2021 and December 31, 2020	688,000	\$ 0.15
Options outstanding as of September 30, 2022	688,000	\$ 0.15

ZINCORE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
ENDED SEPTEMBER 30, 2022 AND 2021***(Unaudited, in Canadian dollars)*

As of September 30, 2022 and December 31, 2021, the Company has the following stock options outstanding:

Date Issued	Number of Options Outstanding	Number of Options Exercisable	Exercise Price	Expiry Date
May 1, 2019	688,000	688,000	\$ 0.15	November 13, 2022
	688,000	688,000	\$ 0.15	

5. SEGMENTED INFORMATION

September 30, 2022	Canada	Peru	Total
Cash	\$ 7,311	\$ -	\$ 7,311
Prepaid and other receivables	8,054	-	8,054
Total assets	\$ 15,365	\$ -	\$ 15,365
Total current liabilities	1,884,707	-	1,884,707
Net loss – three months ended	(39,478)	-	(39,478)
Net loss – nine months ended	(139,765)	-	(139,765)

September 30, 2021	Canada	Peru	Total
Cash	\$ 13,866	\$ 5,062	\$ 18,928
Prepaid and other receivables	6,656	-	6,656
Total assets	\$ 20,522	\$ 5,062	\$ 25,584
Total current liabilities	802,112	936,576	1,738,688
Net (loss) income – three months ended	(40,501)	2,897	(37,604)
Net loss – nine months ended	(67,013)	(1,288)	(68,301)

ZINCORE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS ENDED SEPTEMBER 30, 2022 AND 2021

(Unaudited, in Canadian dollars)

6. PROMISSORY NOTE

As of September 30, 2022, the Company owed \$nil (December 31, 2021 - \$437,514) of promissory notes to a non-related party based in Isle of Man (“Isle of Man Note”). The promissory notes are unsecured, bears interest at 10% compounded per annum, and is due on demand. During nine months ended September 30, 2022, the Company recorded interest expense of \$nil (December 31, 2021 - \$31,804) relating to promissory notes.

As at September 30, 2022, the Company owed \$1,768,145 to a non-related party based in Canada (“Canada Note”). The Canada Note holder has purchased the Isle of Man Note, Shareholder Loan and certain accounts payables as follows:

	Exercise Price
Opening balance - December 31, 2021	\$ -
Cash advanced	71,000
Isle of Man Note purchase	437,514
Shareholder loan purchase	546,060
Accounts payables purchase	713,571
Ending balance - September 30, 2022	\$ 1,768,145

The terms of the Canada Note are currently under negotiated with management.

7. RELATED PARTY TRANSACTIONS

The Company’s related parties include its subsidiaries and key management. Transactions with related parties for goods and services are made on normal commercial terms and are considered to be at arm’s length.

Short-term employee benefits include salaries payable within twelve months of the statement of financial position date and other annual employee benefits.

The Company incurred the following expenses with related parties during the nine months ended September 30, 2022 and 2021:

1. As of September 30, 2022, the Company had \$nil (December 31, 2021 - \$546,060) of shareholder loans outstanding (see note 6) and \$nil (December 31, 2021 - \$144,185) of unpaid CEO consulting fees outstanding (see note 6) which are included in accounts payable and accrued liabilities.
2. For the nine months ended September 30, 2022, the Company recorded 27,000 (2021 - \$18,000) of consulting fees for the services provided by the CFO.

ZINCORE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
ENDED SEPTEMBER 30, 2022 AND 2021***(Unaudited, in Canadian dollars)*

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3. For the nine months ended September 30, 2022, the Company recorded \$27,000 (2021 - \$6,000) of director's fees.
 4. As of September 30, 2022, related party accounts payable was \$56,745 (December 31, 2021 - \$199,500), which includes unpaid consulting fees with related parties.

The Company's related parties include its subsidiaries, associates over which it exercises significant influence, and key management personnel. Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel include officers, directors or companies with common directors of the Company

8. FINANCIAL INSTRUMENTS**Fair Value**

The fair values of the Company's cash, accounts payable and accrued liabilities, other liabilities, promissory notes, and shareholder loan approximate their carrying values due to their short term nature. The Company's financial instruments are exposed to certain financial risks, including credit risk, liquidity risk and market risk with respect to currency risk and interest risk. The following table summarize the Company's financial instruments as at September 30, 2022 and December 31, 2021:

	September 30, 2022	December 31, 2021
	\$	\$
Financial Assets		
Amortized cost:		
Cash	7,311	10,510
Financial Liabilities		
Amortized cost:		
Accounts payable and accrued liabilities	116,562	760,647
Shareholder Loan	-	546,060
Promissory note	1,768,145	437,514

ZINCORE METALS INC.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS ENDED SEPTEMBER 30, 2022 AND 2021

(Unaudited, in Canadian dollars)

Financial instruments disclosure requires a statement of the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of fair value are:

Level 1 Unadjusted quoted prices in active markets for identical assets and liabilities

Level 2 Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly, and;

Level 3 Inputs that are not based on observable market data Fair values of financial instruments

The Company has classified all of its financial assets at Level 1.

A) LIQUIDITY RISK

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to support the Company's operating requirements as well as its planned capital expenditures. The Company manages its financial resources to ensure that there is sufficient working capital to fund near term planned exploration work and operating expenditures. The Company has considerable discretion to reduce or increase exploration plans or budgets depending on current or projected liquidity. When appropriate, the Company will seek joint venture partners in order to fund or share in the funding of its exploration properties to minimize shareholder risk. The Company's cash assets are held in demand accounts in Canada and Peru.

The Company is continuously evaluating alternatives in order to raise additional capital to increase liquidity and to cut costs where possible, but there's no certainty that additional capital will be raised. As of September 30, 2022, cash was \$7,311 (December 31, 2021 - \$10,510).

B) CURRENCY RISK

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds its cash resources principally in Canadian dollars with a secondary amount held in U.S. dollars and incurs expenses principally in U.S. dollars with smaller exposures mainly to Canadian dollars. A weakening Canadian dollar relative to these currencies increases the Company's reported expenses and increases its deferred mineral property investments. However, a weakening Canadian dollar results in a foreign exchange gain on the Company's non-Canadian monetary assets.

As of September 30, 2022, a 10% weakening in the U.S. dollar relative to the Canadian dollar would increase the net gain by \$nil (2021 - \$144,508) with a 10% strengthening having the opposite effect.

ZINCORE METALS INC.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
ENDED SEPTEMBER 30, 2022 AND 2021***(Unaudited, in Canadian dollars)***C) INTEREST RATE RISK**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to short term interest rates through the interest earned on cash, as of September 30, 2022 and 2021, there's no material impact if there is a 1% increase or decrease in short term rates.

D) CREDIT RISK

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. Financial instruments that potentially subject the Company to significant concentrations of credit risk consist primarily of cash. The carrying amount of the financial assets represents the maximum credit exposure. The Company's cash is held through large Canadian financial institutions.

Management of Capital

The capital structure of the Company consists of equity attributable to common shareholders, comprising share capital, reserves and deficit. Its capital resources consist of cash and cash equivalents. The Company manages its capital to fund its exploration and development expenditures and corporate costs with the primary objective of maintaining adequate liquidity within the Company to safeguard its ability to continue as a going concern while minimizing dilution to current equity holders.

The capital of the Company consists of items included in shareholders' equity, net of cash and cash equivalents as follows:

	September 30, 2022		December 31, 2021
Total equity for owners	\$ (1,869,343)	\$	(1,729,578)
Less: cash and cash equivalent	(7,311)		(10,510)
	<u>(1,876,654)</u>		<u>(1,740,088)</u>

To effectively manage its resources and minimize risk the Company maintains the majority of its capital at the parent company level and funds activities in its operating subsidiaries through a monthly cash call process. The Company prepares annual expenditure budgets that are updated as necessary depending on factors including success of programs and general industry conditions. The budget and any revisions to it are approved by the Board of Directors (the "Board").

ZINCORE METALS INC.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
ENDED SEPTEMBER 30, 2022 AND 2021**

(Unaudited, in Canadian dollars)

The Company maintains an investment policy that specifies the investment products and credit exposures permitted relating to the short-term investments of the Company's cash (the "Cash Investment Policy").

The Company is not subject to any externally imposed capital requirements, and it does not have exposure to asset-backed commercial paper or similar products.