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**KOBO RESOURCES INC.  
UNAUDITED CONDENSED INTERIM  
CONSOLIDATED FINANCIAL STATEMENTS  
THREE AND SIX MONTHS ENDED  
SEPTEMBER 30, 2024  
(EXPRESSED IN CANADIAN DOLLARS)  
(UNAUDITED)**

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**Notice to Reader**

The accompanying unaudited condensed interim consolidated financial statements of KOBO Resources Inc. (the "Corporation") have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements as at and for the three and six months ended September 30, 2024 have not been reviewed by the Corporation's auditors.

## KOBO Resources Inc.

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

	As at September 30, 2024	As at March 31, 2024
<b>ASSETS</b>		
<b>Current assets</b>		
Cash	\$ 335,453	\$ 130,659
Term deposit	5,294,414	559,674
Commodity taxes receivable	229,840	326,406
Prepaid and other assets	79,377	40,051
<b>Total current assets</b>	<b>5,939,084</b>	<b>1,056,790</b>
<b>Non-current assets</b>		
Security deposits	9,581	9,581
Property, plant and equipment (note 3)	110,629	121,693
Mining assets (note 4)	2,237	2,237
<b>Total non-current assets</b>	<b>122,447</b>	<b>133,511</b>
<b>Total assets</b>	<b>\$ 6,061,531</b>	<b>\$ 1,190,301</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Trade payables and other payables (note 11)	\$ 408,456	\$ 353,666
<b>Total liabilities</b>	<b>408,456</b>	<b>353,666</b>
<b>Shareholders' equity</b>		
Share capital (note 6)	18,328,500	12,576,125
Stock options (note 7)	1,259,228	1,169,359
Warrants (note 8)	1,660,998	-
Broker warrants (note 9)	219,300	101,000
Accumulated other comprehensive income	31,854	15
Deficit	(15,846,805)	(13,009,864)
<b>Total shareholders' equity</b>	<b>5,653,075</b>	<b>836,635</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 6,061,531</b>	<b>\$ 1,190,301</b>

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

Nature of operations, reverse takeover acquisition and going concern (note 1)

## KOBO Resources Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss  
(Expressed in Canadian dollars)  
(Unaudited)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2024	2023	2024	2023
<b>Operating expenses</b>				
Depreciation of property, plant and equipment (note 3)	\$ 8,913	\$ 4,650	\$ 17,587	\$ 10,131
Exploration expenses (note 11)	598,359	1,295,701	1,513,606	1,675,571
Investor relations	84,905	39,089	132,282	88,249
Management and consulting fees (note 11)	88,984	77,238	164,052	177,242
Office and travelling expenses	29,068	59,103	52,254	113,418
Professional fees (note 11)	148,873	43,991	197,533	143,201
Share-based compensation (notes 7 and 11)	21,552	252,289	89,869	301,877
Sundry taxes	905	7,207	905	13,330
Transaction costs	-	23,135	-	30,707
<b>Total operating expenses</b>	<b>(981,559)</b>	<b>(1,802,403)</b>	<b>(2,168,088)</b>	<b>(2,553,726)</b>
<b>Other (expenses) income</b>				
Bank charges	(6,657)	(2,695)	(8,354)	(4,319)
Foreign exchange (loss) gain	(1,605)	115,073	(2,792)	107,748
Other income	61,647	24,954	96,429	48,610
<b>Net loss for the period</b>	<b>\$ (928,174)</b>	<b>\$ (1,665,071)</b>	<b>\$ (2,082,805)</b>	<b>\$ (2,401,687)</b>
<b>Other comprehensive income</b>				
<b>Items that will be reclassified subsequently to loss</b>				
Exchange difference on translating foreign operations	\$ 49,463	\$ -	\$ 31,839	\$ -
<b>Other comprehensive income for the period</b>	<b>49,463</b>	<b>-</b>	<b>31,839</b>	<b>-</b>
<b>Total comprehensive loss for the period</b>	<b>\$ (878,711)</b>	<b>\$ (1,665,071)</b>	<b>\$ (2,050,966)</b>	<b>\$ (2,401,687)</b>
<b>Basic and diluted net loss per share (note 10)</b>	<b>\$ (0.01)</b>	<b>\$ (0.02)</b>	<b>\$ (0.02)</b>	<b>\$ (0.03)</b>
<b>Weighted average number of common shares outstanding (note 10)</b>	<b>102,242,209</b>	<b>78,597,678</b>	<b>93,560,444</b>	<b>78,038,611</b>

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

**KOBO Resources Inc.****Condensed Interim Consolidated Statements of Changes in Equity****(Expressed in Canadian dollars)****(Unaudited)**

	Number of shares	Share capital	Stock options	Warrants	Broker warrants	Accumulated other comprehensive income	Accumulated deficit	Total
<b>Balance, March 31, 2023</b>	<b>76,928,349</b>	<b>\$ 11,301,115</b>	<b>\$ 657,721</b>	<b>\$ -</b>	<b>\$ 101,000</b>	<b>\$ -</b>	<b>\$ (9,059,989)</b>	<b>\$ 2,999,847</b>
Exercise of warrants (note 6)	4,250,034	1,275,010	-	-	-	-	-	1,275,010
Share issue costs related to concurrent financing (note 6)	-	-	-	-	-	-	(45,651)	(45,651)
Share-based compensation (note 7)	-	-	301,877	-	-	-	-	301,877
Net loss and comprehensive loss for the period	-	-	-	-	-	-	(2,401,687)	(2,401,687)
<b>Balance, September 30, 2023</b>	<b>81,178,383</b>	<b>\$ 12,576,125</b>	<b>\$ 959,598</b>	<b>\$ -</b>	<b>\$ 101,000</b>	<b>\$ -</b>	<b>\$ (11,507,327)</b>	<b>\$ 2,129,396</b>
<b>Balance, March 31, 2024</b>	<b>81,178,383</b>	<b>\$ 12,576,125</b>	<b>\$ 1,169,359</b>	<b>\$ -</b>	<b>\$ 101,000</b>	<b>\$ 15</b>	<b>\$ (13,009,864)</b>	<b>\$ 836,635</b>
Private placement (note 6)	21,181,067	7,413,373	-	-	-	-	-	7,413,373
Warrants (note 6)	-	(1,660,998)	-	1,660,998	-	-	-	-
Share issue costs related to private placement (note 6)	-	-	-	-	118,300	-	(754,136)	(635,836)
Share-based compensation (note 7)	-	-	89,869	-	-	-	-	89,869
Net loss and comprehensive loss for the period	-	-	-	-	-	31,839	(2,082,805)	(2,050,966)
<b>Balance, September 30, 2024</b>	<b>102,359,450</b>	<b>\$ 18,328,500</b>	<b>\$ 1,259,228</b>	<b>\$ 1,660,998</b>	<b>\$ 219,300</b>	<b>\$ 31,854</b>	<b>\$ (15,846,805)</b>	<b>\$ 5,653,075</b>

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

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**KOBO Resources Inc.**

**Condensed Interim Consolidated Statements of Cash Flows**  
**(Expressed in Canadian dollars)**  
**(Unaudited)**

**Six Months Ended**  
**September 30,**  
**2024**                      **2023**

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**Operating activities**

Net loss and comprehensive loss for the period	\$ (2,082,805)	\$ (2,401,687)
Adjustments for:		
Share-based compensation	89,869	301,877
Depreciation of property, plant and equipment	17,587	10,131
Accrued interest	(66,209)	(24,953)
Foreign exchange	31,839	-
Changes in non-cash working capital items:		
Commodity taxes receivable	96,566	(191,930)
Prepaid and other assets	(39,326)	(39,583)
Trade payables and other payables	54,790	(574,232)
<b>Net cash used in operating activities</b>	<b>(1,897,689)</b>	<b>(2,920,377)</b>

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**Investing activities**

Purchase of a term deposit	(5,622,951)	(2,000,000)
Proceeds from sale of a term deposit	954,420	-
Increase in security deposits	-	(4,474)
Purchase of property, plant and equipment	(6,523)	(91,457)
<b>Net cash used in investing activities</b>	<b>(4,675,054)</b>	<b>(2,095,931)</b>

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**Financing activities**

Issuance of shares	7,413,373	-
Exercise of warrants	-	1,275,010
Share issue costs	(635,836)	(45,651)
Repayment of long-term debt	-	(40,000)
<b>Net cash provided by financing activities</b>	<b>6,777,537</b>	<b>1,189,359</b>

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<b>Net change in cash</b>	<b>204,794</b>	<b>(3,826,949)</b>
<b>Cash, beginning of period</b>	<b>130,659</b>	<b>4,262,611</b>
<b>Cash, end of period</b>	<b>\$ 335,453</b>	<b>\$ 435,662</b>

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

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# **KOBO Resources Inc.**

## **Notes to Condensed Interim Consolidated Financial Statements**

**Three and Six Months Ended September 30, 2024**

**(Expressed in Canadian dollars)**

**(Unaudited)**

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### **1. Nature of operations, reverse takeover acquisition and going concern**

#### **Nature of operations**

KOBO Resources Inc. ("KOBO" or the "Corporation") is a junior Canadian exploration and mining development corporation incorporated under the Business Corporations Act on April 27, 2018, initially under the name of Meteorite Capital Inc. ("Meteorite"). The Corporation is focused on acquiring and exploring mineral gold property assets located in West Africa and more particularly in Côte d'Ivoire.

KOBO, through its wholly owned subsidiaries BOKO Resources Inc. ("Boko") and KOBO Ressources Côte d'Ivoire ("KOBO C.I.") obtained in 2019 two (2) research permits (note 4) and is in the process of obtaining three (3) additional pending research permits.

On December 1, 2023, KOBO Resources Inc. merged with its subsidiary BOKO Resources Inc. in order to simplify its reporting obligations and reduce general and administrative costs.

The head office is 388, Grande-Allée East, Suite 101, Québec (Québec), Canada G1R 2J4.

Effective in 2023, the Corporation changed its financial year-end from December 31 to March 31 to align the Corporation's year-end with that of its subsidiary company and to facilitate financial reporting and the preparation of corporate tax returns. The change in year-end resulted in the Corporation's filing a one-time, fifteen-month transition year covering the period of January 1, 2023 to March 31, 2024. The information presented in these unaudited condensed interim consolidated financial statements is for the three and six months ended September 30, 2024, compared to the three and six months ended September 30, 2023.

#### **Reverse takeover acquisition**

On March 29, 2023, KOBO completed its previously announced business combination (the "Transaction") with Boko involving an amalgamation of Boko (formerly Kobo Resources Inc.) and 9454-2123 Québec Inc. ("Meteorite Subco"). The business combination resulted in, among other things, (i) the reverse takeover ("RTO") of Meteorite by the former securityholders of KOBO, (ii) Meteorite changing its name to "Kobo Resources Inc." (the "Resulting Issuer"), (iii) Boko becoming a wholly-owned subsidiary of the resulting Issuer, and (iv) the listing of the Resulting Issuer's common shares (the Resulting Issuer Common Shares) on the TSX Venture Exchange (the "TSX-V"). The Resulting Issuer Common Shares began trading at the opening of the market on March 31, 2023 under the symbol "KRI".

The Transaction constituted a reverse takeover of the Corporation but did not meet the definition of a business combination under IFRS 3, Business Combinations. Accordingly, the reverse takeover transaction was accounted for in accordance with IFRS 2, Share-Based Payment and IAS 32, Financial Instruments: Presentation. The Transaction is considered to be a reverse takeover of Meteorite by Boko. A reverse takeover transaction involving a non-public operating entity and a non-operating company is in substance a share-based payment transaction, rather than a business combination. The fair value of the shares issued has been determined based on the fair value of the Common Shares issued by Boko on February 24, 2023 as outlined below.

Each Boko Warrant, Boko Option and Boko Broker Warrant have been exchanged for Meteorite Warrant, Meteorite Option and Meteorite Broker Warrant, now referred as Kobo Warrant, Kobo Option and Kobo Broker Warrant.

The fair value of the Corporation's identifiable net assets at the reverse acquisition date was \$735 and the excess was attributed to the value of the public listing, which does not meet the definition of an asset, and is expensed in the unaudited condensed interim consolidated statements of loss and comprehensive loss.

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# KOBO Resources Inc.

## Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024

(Expressed in Canadian dollars)

(Unaudited)

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### 1. Nature of operations, reverse takeover acquisition and going concern (continued)

#### Reverse takeover acquisition (continued)

##### Consideration paid

Fair value of consideration to acquire 1,413,000 Common Shares	\$	353,250
113,040 Options of Meteorite		-
	\$	353,250

##### Net assets acquired

Cash	\$	42,564
Trade payables and other payables		(41,829)
Listing costs expensed		352,515
Total	\$	353,250

The fair value of the consideration transferred to acquire Meteorite under the RTO is \$353,250 and was determined based on the fair value of the 1,413,000 Common Shares valued at \$0.25 per share and 113,040 Options valued at \$nil.

#### Going concern

These unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware in making its assessment of material uncertainties related to events and conditions that lend a significant doubt upon the Corporation's ability to continue as a going concern and accordingly, the appropriateness of the use of IFRS applicable to a going concern, as described in the following paragraph. These unaudited condensed interim consolidated financial statements do not reflect the adjustment to the carrying values of assets and liabilities expenses and consolidated statement of financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material.

As at September 30, 2024, the Corporation has a deficit of \$15,846,805. In addition to ongoing working capital requirements, the Corporation must secure sufficient funding to meet its obligations and existing commitments for exploration and evaluation programs, for mining development and pay general and administration costs.

As long as the Corporation is not in commercial operation, the continuation of its activities will depend on its ability to raise additional financing through the issuance of equity instruments. There can be no assurance it will be able to do so in the future and that such sources of funding or initiatives will be available to the Corporation or that they will be available on terms acceptable to the Corporation. If management is unable to obtain new funding, there is a material uncertainty that lend a significant doubt about the Corporation's ability to continue as a going concern and amounts realized for assets might be less than amounts reflected in these unaudited condensed interim consolidated financial statements. The Corporation has not yet determined the existence of economically recoverable ore reserves.

# KOBO Resources Inc.

## Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024

(Expressed in Canadian dollars)

(Unaudited)

### 2. Material accounting policies

#### Basis of presentation

The Corporation applies IFRS as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 - Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRS issued and outstanding as of November 22, 2024, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the fifteen months ended March 31, 2024. Any subsequent changes to IFRS that are given effect in the Corporation's annual consolidated financial statements for the year ending March 31, 2025 could result in restatement of these unaudited condensed interim consolidated financial statements.

#### Basis of consolidation

The unaudited condensed interim consolidated financial statements include the financial statements of the Corporation and its subsidiaries Boko and Kobo C.I. located in Côte d'Ivoire. The Corporation has 100% ownership in the subsidiary Kobo C.I. All intercompany transactions and balances are eliminated. A subsidiary is an investment controlled by the Corporation. Control exists when the Corporation has the existing rights giving the current ability to direct the activities that significantly affect the entities' returns. The Corporation reassesses control on an ongoing basis.

On December 1, 2023, Kobo Resources Inc. merged with its subsidiary Boko Resources Inc. in order to simplify its reporting obligations and reduce general and administrative costs.

### 3. Property, plant and equipment

<b>Cost</b>	<b>Vehicles</b>	<b>Office equipment</b>	<b>Exploration equipment</b>	<b>Land</b>	<b>Total</b>
Balance, March 31, 2024	\$ 175,488	\$ 9,808	\$ 41,289	\$ 8,000	\$ 234,585
Additions	1,980	-	4,543	-	6,523
Balance, September 30, 2024	\$ 177,468	\$ 9,808	\$ 45,832	\$ 8,000	\$ 241,108

<b>Accumulated depreciation</b>	<b>Vehicles</b>	<b>Office equipment</b>	<b>Exploration equipment</b>	<b>Land</b>	<b>Total</b>
Balance, March 31, 2024	\$ 98,472	\$ 7,615	\$ 6,805	\$ -	\$ 112,892
Depreciation during the period	14,079	534	2,974	-	17,587
Balance, September 30, 2024	\$ 112,551	\$ 8,149	\$ 9,779	\$ -	\$ 130,479

<b>Carrying value</b>	<b>Vehicles</b>	<b>Office equipment</b>	<b>Exploration equipment</b>	<b>Land</b>	<b>Total</b>
Balance, March 31, 2024	\$ 77,016	\$ 2,193	\$ 34,484	\$ 8,000	\$ 121,693
Balance, September 30, 2024	\$ 64,917	\$ 1,659	\$ 36,053	\$ 8,000	\$ 110,629

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## KOBO Resources Inc.

### Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024

(Expressed in Canadian dollars)

(Unaudited)

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#### 4. Mining assets

Research permits	Kossou	Kotobi
Balance as at March 31, 2024 and September 30, 2024	\$ 2,237	\$ -

On April 24, 2019 a research permit (Kotobi license formerly identified as Bongouanou license) was awarded to KOBO C.I. and is located within the Birimian Dimbokro-Abengourou Belt, Boaulé-Mossi domain. It is located in the administrative departments of Arrah, Bongouanou and Daoukro covering 301.75 km<sup>2</sup>. The permit was issued for four (4) years and is renewable for two (2) consecutive three (3) years term with an additional possible two (2) years term.

The Corporation must incur a total of 500,000,000 CFA (\$1,100,000) in exploration activities during the four (4) years of the permit. This total amount is expensed over the first three (3) years in the amount of 100,000,000 CFA (\$222,000) annually and 200,000,000 CFA (\$444,000) in the fourth (4th) year, subject to currency exchange rate fluctuations. As at September 30, 2024, the Corporation spent a cumulative amount of 167,560,200 CFA (\$385,532) in exploration activities. On February 27, 2023, the Corporation filed an application form with the Minister of Mines of Côte d'Ivoire for the renewal of the Kotobi permit for an additional three (3) years. The application is currently under review.

On November 6, 2019 a research permit (Kossou license) was awarded to KOBO C.I. and is located in the department of Kossou, Yamoussoukro and Bouaflé regions, approximately 22 km northwest of the capital city of Yamoussoukro covering 147.36 km<sup>2</sup>. The permit is issued for four (4) years and is renewable for two (2) consecutive three (3) years term with an additional possible two (2) years term.

The Corporation must incur a total of 550,000,000 CFA (\$1,220,000) in exploration activities for the four (4) years of the permit. This total amount is expensed over the first three (3) years in the amount of 110,000,000 CFA (\$244,000) annually and 220,000,000 CFA (\$488,000) in the fourth (4th) year, subject to currency exchange rate fluctuations. As at September 30, 2024, the Corporation spent a cumulative amount of 2,132,433,218 CFA (\$4,906,420) in exploration activities. On August 2, 2023, the Corporation filed an application form with the Minister of Mines of Côte d'Ivoire for the renewal of the Kossou permit for an additional three (3) years. The application is currently under review.

In the case of non-realization of the projected exploration activities in the first two (2) years the Corporation may receive a notification form the Minister of Mines. In such case, a global control of the exploration activities is performed by the Minister of Mines administration at the end of the third (3rd) year.

#### 5. Segmented information

##### (a) Operating segments

In accordance with IFRS 8 - Operating Segments, it is mandatory for the Corporation to present and disclose segmental information based on the internal reports that are regularly reviewed by the Board of Directors in order to assess each segment's performance. In this regard, the Corporation conducts its business in a single operating segment being the acquisition and exploration of gold in Côte d'Ivoire. The Corporation's only mining assets are located in Côte d'Ivoire as detailed in note 4. As a result, the Corporation is organized as a single sector.

# KOBO Resources Inc.

## Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended September 30, 2024

(Expressed in Canadian dollars)

(Unaudited)

### 5. Segmented information (continued)

#### (b) Geographic segments

The Corporation's assets by geographic areas are as follows:

<b>As at September 30, 2024</b>	<b>Côte d'Ivoire</b>	<b>Canada Corporate Management</b>	<b>Total</b>
Cash	\$ 177,214	\$ 158,239	\$ 335,453
Term deposit	-	5,294,414	5,294,414
Commodity taxes receivable	171,777	58,063	229,840
Prepaid and other assets	29,299	50,078	79,377
Property, plant and equipment	108,970	1,659	110,629
Mining assets	2,237	-	2,237
Other assets	9,581	-	9,581
	<b>\$ 499,078</b>	<b>\$ 5,562,453</b>	<b>\$ 6,061,531</b>

<b>As at March 31, 2024</b>	<b>Côte d'Ivoire</b>	<b>Canada Corporate Management</b>	<b>Total</b>
Cash	\$ 65,282	\$ 65,377	\$ 130,659
Term deposit	-	559,674	559,674
Commodity taxes receivable	165,542	160,864	326,406
Prepaid and other assets	10,552	29,499	40,051
Property, plant and equipment	119,500	2,193	121,693
Mining assets	2,237	-	2,237
Other assets	9,581	-	9,581
	<b>\$ 372,694</b>	<b>\$ 817,607</b>	<b>\$ 1,190,301</b>

	<b>Three months ended September 30, 2024</b>			<b>Three months ended September 30, 2023</b>		
	<b>Cote d'Ivoire</b>	<b>Canada Corporate Management</b>	<b>Total</b>	<b>Cote d'Ivoire</b>	<b>Canada Corporate Management</b>	<b>Total</b>
Exploration expenses	\$ 495,502	\$ 102,857	\$ 598,359	\$ 1,128,989	\$ 166,712	\$ 1,295,701
Other income	-	(61,647)	(61,647)	-	(24,954)	(24,954)
Investor relations	-	84,905	84,905	-	39,089	39,089
Management and consulting fees	-	88,984	88,984	-	77,238	77,238
Other expenses	15,050	32,098	47,148	(101,591)	60,173	(41,418)
Professional fees	84,356	64,517	148,873	8,996	34,995	43,991
Share-based compensation	-	21,552	21,552	-	252,289	252,289
Transaction costs	-	-	-	-	23,135	23,135
Net loss	<b>\$ (594,908)</b>	<b>\$ (333,266)</b>	<b>\$ (928,174)</b>	<b>\$ (1,036,394)</b>	<b>\$ (628,677)</b>	<b>\$ (1,665,071)</b>

## KOBO Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements  
Three and Six Months Ended September 30, 2024  
(Expressed in Canadian dollars)  
(Unaudited)

### 5. Segmented information (continued)

#### (b) Geographic segments (continued)

	Six months ended September 30, 2024			Six months ended September 30, 2023		
	Canada			Canada		
	Cote d'Ivoire	Corporate Management	Total	Cote d'Ivoire	Corporate Management	Total
Exploration expenses	\$ 1,308,782	\$ 204,824	\$ 1,513,606	\$ 1,425,694	\$ 249,877	\$ 1,675,571
Other income	-	(96,429)	(96,429)	-	(48,610)	(48,610)
Investor relations	-	132,282	132,282	-	88,249	88,249
Management and consulting fees	-	164,052	164,052	-	177,242	177,242
Other expenses	24,011	57,881	81,892	(80,896)	114,346	33,450
Professional fees	104,663	92,870	197,533	18,355	124,846	143,201
Share-based compensation	-	89,869	89,869	-	301,877	301,877
Transaction costs	-	-	-	-	30,707	30,707
Net loss	\$ (1,437,456)	\$ (645,349)	\$ (2,082,805)	\$ (1,363,153)	\$ (1,038,534)	\$ (2,401,687)

### 6. Share capital

#### a) Authorized share capital

The authorized share capital consisted of an unlimited number of Common Shares, bearing one voting right per share, participating, without par value. All issued Common Shares are fully paid.

#### b) Common shares issued

As at September 30, 2024, the issued share capital amounted to \$18,328,500. Changes in issued share capital for the periods presented are as follows:

	Six Months Ended September 30, 2024		Fifteen Months Ended March 31, 2024	
	Number of common shares	Amount	Number of common shares	Amount
Balance, beginning of period	81,178,383	\$ 12,576,125	56,809,749	\$ 6,271,465
Private placement	21,181,067	7,413,373	-	-
Warrants	-	(1,660,998)	-	-
Reverse takeover acquisition (note 1)	-	-	1,413,000	353,250
Concurrent financing	-	-	18,705,600	4,676,400
Exercise of warrants	-	-	4,250,034	1,275,010
<b>Balance, end of period</b>	<b>102,359,450</b>	<b>\$ 18,328,500</b>	<b>81,178,383</b>	<b>\$ 12,576,125</b>

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## **KOBO Resources Inc.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**Three and Six Months Ended September 30, 2024**

**(Expressed in Canadian dollars)**

**(Unaudited)**

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#### **6. Share capital (continued)**

b) Common shares issued (continued)

##### **Fifteen months ended March 31, 2024**

In connection with the RTO, Boko and Meteorite completed a concurrent financing on February 24, 2023, for aggregate gross proceeds of \$4,676,400, consisting of: (i) the issuance of 13,736,400 Boko Subscription Receipts and (ii) 4,969,200 Meteorite Subscription Receipts at a price of \$0.25 per Subscription Receipt. Each Subscription Receipt is convertible for no additional consideration into one share and one-half of one warrant at an exercise price of \$0.40 for each full warrant, for a twenty-four months period from the date of the closing of the Transaction. As part consideration of their services for the concurrent financing, the agent received a cash consideration of \$246,000 and 721,312 Broker Warrants entitling the holder to purchase 721,312 Broker Units of the Corporation at a price of \$0.25 per unit. Each Broker Unit entitles the holder to purchase one Common Share at a price of \$0.25 per share and one-half of a one Common Share Warrant at an exercise price of \$0.40 for each full warrant, for a twenty-four months period from the date of the closing of the Transaction.

In connection with the RTO, Meteorite completed a share consolidation using an exchange ratio of 0.2 to 1.

Between July 28 and August 29, 2023, the Corporation has received notices to exercise a total of 4,250,034 Common Share Purchase Warrants allowing holders thereof to subscribe to 4,250,034 Common Shares of the Corporation at a price of \$0.30 per share prior to the expiry date of August 31, 2023 resulting in the issuance of a total of 4,250,034 Common Shares for a total consideration of \$1,275,010. The weighted average share price at the date of exercise was \$0.32.

##### **Six months ended September 30, 2024**

On June 4, 2024, the Corporation closed its first tranche of a non-brokered private placement of the units for gross proceeds of \$1,485,331. Under the first tranche of the offering, 4,243,804 units were issued at a price of \$0.35 per unit. In addition, the Corporation announced closing of a brokered private placement of 8,378,700 additional units of the Corporation at a price of \$0.35 per additional unit for additional gross proceeds of \$2,932,545.

Each unit consists of one common share and one-half of one common shares purchase warrant. Each warrant entitles its holder to acquire one common share at a price of \$0.55 per share until June 4, 2026.

Leede Jones Gables Inc. acted as agent in connection with the financing and received a cash commission equal to \$227,953 and 644,960 non-transferable compensation options of the Corporation, exercisable until June 4, 2026, to acquire common shares at an exercise price of \$0.35 per share.

Patrick Gagnon, a director of the Corporation, subscribed, directly or indirectly via his company Corporation Gagnon Capital Ltee, to an aggregate of 192,200 units.

On July 2, 2024, the Corporation closed its second tranche of a non-brokered private placement of the units for gross proceeds of \$2,995,497. Under the second tranche of the offering, 8,558,563 units were issued at a price of \$0.35 per unit.

Each unit consists of one common share and one-half of one common shares purchase warrant. Each warrant entitles its holder to acquire one common share at a price of \$0.55 per share until June 4, 2026.

The Company paid finders' fees in an aggregate amount of \$1,540 in connection with the second tranche.

## KOBO Resources Inc.

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### 7. Stock options

The following table reflects the continuity of stock options:

	Six Months Ended September 30, 2024		Fifteen Months Ended March 31, 2024	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Outstanding, beginning of period	5,725,000	\$ 0.238	3,150,000	\$ 0.190
Granted	-	-	2,675,000	0.297
Reverse takeover acquisition (note 1)	-	-	113,040	0.750
Expired/Cancelled	-	-	(213,040)	0.539
<b>Outstanding, end of period</b>	<b>5,725,000</b>	<b>\$ 0.238</b>	<b>5,725,000</b>	<b>\$ 0.238</b>
<b>Exercisable, end of period</b>	<b>5,550,000</b>	<b>\$ 0.225</b>	<b>4,906,250</b>	<b>\$ 0.225</b>

For the three and six months ended September 30, 2024 an amount of \$21,552 and \$89,869, respectively (three and six months ended September 30, 2023 - \$252,289 and \$301,877, respectively) is included as share-based compensation expense.

#### Fifteen months ended March 31, 2024

On March 1, 2023, the Corporation granted 250,000 options to a consultant at an exercise price of \$0.20 each.

On June 21, 2023, the Corporation granted 2,075,000 options to directors, officers and consultants at an exercise of \$0.30 each.

On February 28, 2024, the Corporation granted 350,000 options to a director and an officer at an exercise of \$0.35 each.

The total fair value was estimated on the grant using the Black-Scholes option pricing model with the following average assumptions:

	Six Months Ended September 30, 2024	Fifteen Months Ended March 31, 2024
Weighted risk-free interest rate	-	3.69%
Weighted share price at grant-date	-	\$0.302
Weighted average expected share price volatility (i)	-	104.25%
Weighted average exercise price at grant-date	-	\$0.297
Weighted average expected dividend yield	-	-
Weighted average expected life	-	5 years
Weighted average grant-date fair value	-	\$0.235

(i) Expected share price volatility was calculated using a blended rate of comparable junior mining exploration corporations.

## KOBO Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements  
 Three and Six Months Ended September 30, 2024  
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### 7. Stock options (continued)

The following table reflects the actual stock options issued and outstanding as of September 30, 2024:

Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
0.200	5.42	250,000	250,000
0.200	3.28	500,000	500,000
0.200	2.34	900,000	900,000
0.200	3.26	1,150,000	1,150,000
0.150	0.21	600,000	600,000
0.300	8.73	1,975,000	1,975,000
0.350	9.42	350,000	175,000
		<b>5,725,000</b>	<b>5,550,000</b>

### 8. Warrants

The following table reflects the continuity of warrants:

	Six Months Ended September 30, 2024		Fifteen Months Ended March 31, 2024	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Outstanding and exercisable, beginning of period	9,352,800	\$ 0.400	4,250,034	\$ 0.300
Granted under the concurrent financing	-	-	9,352,800	0.400
Granted under the private placement	10,590,534	0.550	-	-
Exercise of warrants	-	-	(4,250,034)	0.300
<b>Outstanding and exercisable, end of period</b>	<b>19,943,334</b>	<b>\$ 0.480</b>	<b>9,352,800</b>	<b>\$ 0.400</b>

The following table reflects the actual warrants issued and outstanding as of September 30, 2024:

Number of warrants outstanding	Value allocated on grant (\$)	Exercise price (\$)	Expiry date
9,352,800	-	0.400	March 29, 2025
10,590,534	1,660,998	0.550	June 4, 2026
<b>19,943,334</b>	<b>1,660,998</b>	<b>0.480</b>	

## KOBO Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements  
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### 8. Warrants (continued)

The total fair value was estimated on the grant using the Black-Scholes option pricing model with the following average assumptions:

	Six Months Ended September 30, 2024	Fifteen Months Ended March 31, 2024
Risk-free interest rate	4.06%	1%
Share price at grant-date	\$0.35	\$0.25
Expected share price volatility (i)	104%	110%
Expected price at grant date	\$0.55	\$0.40
Expected dividend yield	-	-
Expected life	1.97 years	2 years

(i) Expected share price volatility was calculated using a blended rate of comparable junior mining exploration corporations.

### 9. Broker warrants

The following table reflects the continuity of warrants:

	Six Months Ended September 30, 2024		Fifteen Months Ended March 31, 2024	
	Number of broker warrants	Weighted average exercise price	Number of broker warrants	Weighted average exercise price
Outstanding and exercisable, beginning of period	721,312	\$ 0.250	-	\$ -
Granted under the private placement (note 6)	644,960	0.350	-	-
Granted under the concurrent financing (i)	-	-	721,312	0.250
<b>Outstanding and exercisable, end of period</b>	<b>1,366,272</b>	<b>\$ 0.297</b>	<b>721,312</b>	<b>\$ 0.250</b>

(i) These Broker Warrants entitle the holders to purchase 721,312 units of the Corporation at a price of \$0.25 per unit. Each Broker Warrant Unit entitles the holder to purchase one Common Share at a price of \$0.25 per share and one-half of a one Common Share Warrant at an exercise price of \$0.40 for each full warrant, for a twenty-four months period from the date of the closing of the Transaction.

The following table reflects the actual broker warrants issued and outstanding as of September 30, 2024:

Number of broker warrants outstanding	Grant date fair value(\$)	Exercise price (\$)	Expiry date
721,312	101,000	0.250	March 29, 2025
644,960	118,300	0.350	June 4, 2026
<b>1,366,272</b>	<b>219,300</b>	<b>0.297</b>	

## KOBO Resources Inc.

Notes to Condensed Interim Consolidated Financial Statements  
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### 9. Broker Warrants (Continued)

The total fair value was estimated on the grant using the Black-Scholes option pricing model with the following average assumptions:

	Six Months Ended September 30, 2024	Fifteen Months Ended March 31, 2024
Risk-free interest rate	4.05%	1%
Share price at grant-date	\$0.335	\$0.25
Expected share price volatility (i)	104%	110%
Expected price at grant date	\$0.35	\$0.25
Expected dividend yield	-	-
Expected life	2 years	2 years

(i) Expected share price volatility was calculated using a blended rate of comparable junior mining exploration corporations.

### 10. Net loss per common share

The calculation of basic and diluted loss per share for the three and six months ended September 30, 2024 was based on the loss attributable to common shareholders of \$928,174 and \$2,082,805, respectively (three and six months ended September 30, 2023 - \$1,665,071 and \$2,401,687, respectively) and the weighted average number of common shares outstanding of 102,242,209 and 93,560,444, respectively (three and six months ended September 30, 2023 - 78,597,678 and 78,038,611, respectively). Diluted loss per share did not include the effect of stock options, warrants and broker warrants as they are anti-dilutive.

### 11. Related party disclosures

These transactions occurred in the normal course of operations and are measured on terms equivalent to those that prevail in arm's length transactions.

The table below summarizes, for the respective periods, the total amount paid to directors and key management personnel having authority and responsibility for planning, directing and controlling the activities of the Corporation or Corporations controlled by them:

	Three Months Ended September 30,		Six Months Ended September 30,	
	2024	2023	2024	2023
<b>Compensation of key management</b>				
Share-based compensation	\$ 21,552	\$ 252,289	\$ 85,281	\$ 301,877
Management fees	69,271	95,988	125,521	195,992
Professional fees	16,189	-	26,150	-
Exploration expenses	56,348	18,750	107,937	37,500
	<b>\$ 163,360</b>	<b>\$ 367,027</b>	<b>\$ 344,889</b>	<b>\$ 535,369</b>

As at September 30, 2024 an amount of \$44,591 (\$34,447 as at March 31, 2024) is included in accounts payable regarding compensation of key management.