

**Gladiator Metals Corp.**  
**(formerly Cairo Resources Inc.)**

**Condensed Interim Financial Statements**

**For the Six Months Ended August 31, 2022 and 2021**

**Unaudited – Prepared by Management**

(Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

**Gladiator Metals Corp. (formerly Cairo Resources Inc.)**  
**Condensed Interim Statements of Financial Position**  
**Unaudited – Prepared by Management**  
**(Expressed in Canadian Dollars)**

	Note	August 31, 2022	February 28, 2022
<b>Assets</b>			
<b>Current</b>			
Cash		\$ 1,832,926	\$ 1,957,683
Accounts receivable		8,160	13,330
Prepaid expenses		-	1,667
		<b>1,841,086</b>	1,972,680
Exploration and evaluation assets	5	<b>2,507,584</b>	2,507,584
Reclamation deposit	5	<b>32,700</b>	32,700
<b>Total Assets</b>		<b>\$ 4,381,370</b>	<b>\$ 4,512,964</b>
<b>Liabilities</b>			
<b>Current</b>			
Accounts payable and accrued liabilities	7	\$ 203,421	\$ 96,830
<b>Shareholders' Equity</b>			
Capital Stock	6	<b>5,256,896</b>	5,256,896
Reserves	6	<b>379,372</b>	379,372
Deficit		<b>(1,458,320)</b>	(1,220,134)
<b>Total Shareholders' Equity</b>		<b>4,177,949</b>	4,416,134
<b>Total Liabilities and Shareholders' Equity</b>		<b>\$ 4,381,370</b>	<b>\$ 4,512,964</b>

Approved on behalf of the Board:

"Darren Devine" (signed)  
 Director

"Ian Harris" (signed)  
 Director

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

**Gladiator Metals Corp. (formerly Cairo Resources Inc.)**  
**Condensed Interim Statements of Loss and Comprehensive Loss**  
**Unaudited – Prepared by Management**  
**(Expressed in Canadian Dollars)**

	Three months ended August 31, 2022	Three months ended August 31, 2021	Six months ended August 31, 2022	Six months ended August 31, 2021
<b>Expenses</b>				
Exploration expenses	\$ (22,422)	-	\$ (77,244)	\$ -
General and administrative	(15,428)	(7,157)	(18,146)	(12,824)
Professional fees	(43,354)	(5,059)	(130,598)	(11,116)
Filing fees	-	(1,250)	-	(14,279)
Transaction costs (note 8)	-	(124,447)	-	(137,078)
Foreign exchange	(103)	-	(103)	-
Transfer agent and regulatory fees	(3,718)	-	(12,094)	-
<b>Net Loss</b>	<b>\$ (85,026)</b>	<b>\$ (137,913)</b>	<b>\$ (238,186)</b>	<b>\$ (175,297)</b>
<b>Basic and Diluted Loss Per Common Share</b>	<b>\$ (0.00)</b>	<b>\$ (0.03)</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>
<b>Weighted Average Number of Common Shares Outstanding</b>	<b>17,731,122</b>	<b>5,256,473</b>	<b>19,142,627</b>	<b>5,256,473</b>

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

**Gladiator Metals Corp. (formerly Cairo Resources Inc.)**  
**Condensed Interim Statements of Changes in Equity**  
**Unaudited – Prepared by Management**  
**(Expressed in Canadian Dollars)**

	Capital Stock		Reserves	Deficit	Equity
	Number	Amount			
<b>Balance, February 29, 2021</b>	<b>5,265,473</b>	<b>\$ 960,959</b>	<b>\$ 101,904</b>	<b>\$ (642,088)</b>	<b>\$ 420,775</b>
Net loss for the period	-	-	-	(175,297)	(175,297)
<b>Balance, August 31, 2021</b>	<b>5,265,473</b>	<b>\$ 960,959</b>	<b>\$ 101,904</b>	<b>\$ (817,385)</b>	<b>\$ 245,478</b>
Share issue costs	13,886,154	4,295,937	277,468	-	4,170,656
Net loss for the period	-	-	-	(402,749)	-
<b>Balance, February 28, 2022</b>	<b>19,142,627</b>	<b>\$ 5,256,896</b>	<b>\$ 379,372</b>	<b>\$ (1,220,134)</b>	<b>\$ 4,416,134</b>
Net loss for the period	-	-	-	(238,186)	(238,186)
<b>Balance, August 31, 2022</b>	<b>19,142,627</b>	<b>\$ 5,256,896</b>	<b>\$ 379,372</b>	<b>\$ (1,458,320)</b>	<b>\$ 4,177,949</b>

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

**Gladiator Metals Corp. (formerly Cairo Resources Inc.)**  
**Condensed Interim Statements of Cash Flows**  
**Unaudited – Prepared by Management**  
**(Expressed in Canadian Dollars)**

	Notes	Three months ended		Six months ended	
		August 31, 2022	August 31, 2021	August 31, 2022	August 31, 2021
<b>Operating Activities</b>					
Loss for the period		\$ (85,026)	\$ (137,913)	\$ (238,186)	\$ (175,297)
Changes in Working Capital Items:					
GST receivable		6,877	957	5,170	(687)
Prepaid expenses				1,667	
Accounts payable and accrued liabilities		25,732	124,817	106,591	129,156
<b>Net Cash Used in Operating Activities</b>		<b>(52,416)</b>	<b>(12,139)</b>	<b>(124,757)</b>	<b>(46,828)</b>
<b>Investing Activities</b>					
Loans receivable		-	(25,000)	-	(125,000)
<b>Cash Used by Investing Activities</b>		<b>-</b>	<b>(25,000)</b>	<b>-</b>	<b>(125,000)</b>
<b>Change in Cash and Cash Equivalents during the period</b>		<b>(52,416)</b>	<b>(37,139)</b>	<b>(124,757)</b>	<b>(171,828)</b>
<b>Cash, Beginning of period</b>		<b>1,885,342</b>	<b>178,985</b>	<b>1,957,683</b>	<b>313,674</b>
<b>Cash, End of period</b>		<b>\$ 1,832,926</b>	<b>\$ 141,846</b>	<b>\$ 1,832,926</b>	<b>\$ 141,846</b>

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

**Gladiator Metals Corp. (formerly Cairo Resources Inc.)**  
**Notes to the Condense Interim Financial Statements**  
**For the Six Months Ended August 31, 2022 and 2021**  
**(Expressed in Canadian Dollars)**

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**1. NATURE AND CONTINUANCE OF OPERATIONS**

Gladiator Metals Corp (formerly Cairo Resources Inc.) (the “Company” or “Cairo”) was incorporated under the *Business Corporations Act* of British Columbia on February 8, 2010. The Company is listed on the TSX Venture Exchange (the “TSX-V”) under the symbol “GLAD”. The Company is engaged in acquisition, development and operation of mineral property, with its principal focus on Koonenberry North Project located in New South Wales, Australia.

The head office and records office of the Company are located at 1430 – 800 West Pender Street, Vancouver, British Columbia, Canada, V6C 2V6.

These consolidated condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. Several conditions discussed below cast substantial doubt regarding this assumption. As at August 31, 2022, the Company has no operating revenue and has an accumulated deficit of \$1,458,320 (February 28, 2022 - \$1,220,134), and working capital of \$1,637,665 (February 28, 2022 - \$1,875,850). The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or results of operations at this time.

**Qualifying Transaction**

On October 14, 2021, the Company completed the acquisition of Bangles Gold Pty Ltd. (“Bangles”) (the “Transaction”) by acquiring all of the issued and outstanding common shares of Bangles, in exchange for the shareholders of Bangles receiving Gladiator common shares and a cash payment. In connection with the Transaction, the Company changed its name to “Gladiator Metals Corp.”. The Transaction constituted the Company’s “Qualifying Transaction” pursuant to Policy 2.4 of the TSX-V.

Concurrently with the Transaction, the Company completed a non-brokered private placement of units of the Company (each a “Unit”) for gross proceeds of \$2,379,998 at a price of \$0.28 per Unit. Each Unit consists of one Gladiator common share and one-half of a common share purchase warrant of Gladiator (each a “Warrant”), with each whole Warrant exercisable for a period of twenty-four months at a price of \$0.40 per Gladiator common share. As part of the Transaction, the Company issued 386,160 finders shares to an arms-length third party.

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**2. BASIS OF PRESENTATION**

**(a) Statement of Compliance**

These unaudited condensed consolidated interim financial statements were prepared in accordance with International Accounting Standard (“IAS”) 34, Interim Financial Reporting. Accordingly, they do not include all of the information and disclosures required by IFRS for annual financial statements. These unaudited condensed consolidated financial statements should be read in conjunction with the Company’s annual financial statements for the year ended February 28, 2022, which were prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed consolidated interim financial statements have been prepared using the same accounting policies and methods of application as the latest annual financial statements. In the opinion of management, all adjustments (consisting of normal and recurring accruals) considered necessary for fair presentation have been included. The results for interim periods are not necessarily indicative of results for the entire year. The preparation of these unaudited condensed consolidated interim financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of these unaudited condensed consolidated interim financial statements and the reported amounts of expenses during the period. As a result, actual amounts may differ from those estimates.

The Company’s functional and presentation currency is the Canadian dollar.

**(b) Approval of the financial statements**

These unaudited condensed interim financial statements of the Company were approved by the Board of Directors and authorized for issue on October 27, 2022.

**(c) Critical accounting judgments and estimates**

The preparation of condensed interim financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the condensed interim financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates include accrued liabilities, the recoverability of deferred tax assets and the collectability of loans receivable.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Information about critical judgments in applying accounting policies that have the most significant effect of amounts recognized in the condensed interim financial statements is included in the going concern assessment (see Note 1).

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**2. BASIS OF PRESENTATION (continued)**

**(d) Future accounting standards**

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its condensed interim financial statements would not be significant.

**3. ESTIMATES, RISKS, AND UNCERTAINTIES**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The Company's management makes judgments in its process of applying the Company's accounting policies in the preparation of its interim condensed consolidated financial statements. In addition, the preparation of the financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively.

**4. FINANCIAL INSTRUMENTS**

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 of August 31, 2022 and February 28, 2022:

	August 31, 2022	February 28, 2022
	\$	\$
<b>Financial Assets</b>		
Amortized cost:		
Cash	1,832,926	1,957,683
<b>Financial Liabilities</b>		
Amortized cost:		
Accounts payable and accrued liabilities	203,421	96.830

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:

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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

**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 are potentially subject to significant concentrations of credit risk consist primarily of cash and other receivables. The Company's cash is held through large Canadian financial institutions and receivables are primarily related to tax credits receivable from the government of Canada.

**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 manages liquidity risk through the management of its capital structure as described in Note 6. Accounts payable and accrued liabilities are due within the current operating period. The Company is exposed to liquidity risk.

**Market Risk**

The Company's market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and commodity prices.

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company is not exposed to significant interest rate risk. A 1% change in market interest rates would result in no significant change in value of cash and other financial instruments

**Foreign Exchange Risk**

Currency risk is the risk of a loss due to the fluctuation of foreign exchange rates and the effects of those fluctuations on the Company's foreign currency denominated monetary assets and liabilities. The Company currently operates in Canada and Australia. Certain costs and expenses are incurred in Australian dollars. The Company attempts to mitigate currency risk through the preparation of short and long term expenditure budgets in the foreign currencies and planning for the conversion of Canadian dollars into foreign currencies whenever exchange rates are favourable.

The Company's financial assets and liabilities as at August 31, 2022 are denominated in Canadian Dollars.

**5. ACQUISITION OF BANGLES GOLD**

On October 8, 2021, the Company completed a share exchange agreement (the "Share Exchange Agreement") with Bangles. Pursuant to the Share Exchange Agreement, the Company issued 5,000,000 common shares and made a \$112,500 cash payment to the former shareholders of Bangles. The Company also issued 386,160 common shares to a finder for introducing Bangles to the Company.

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In connection with the Share Exchange Agreement, the Company and Bangles entered a Promissory Note Agreement dated February 4, 2021. Under the terms of the Promissory Note Agreement, Gladiator advanced secured loans of up to \$250,000 to Bangles, which are non-interest bearing and have a term of one year. The loans were used by Bangles for working capital purposes.

As a result of the Transaction, the Company is now the holder of a 100% legal and beneficial interest in three exploration licence applications ("ELA's") located in New South Wales ("NSW"), Australia. The claims cover an area of ~680 km<sup>2</sup> over sections of the mineralised Koonenberry Fault and associated secondary faults and splays located in NSW, Australia. The Koonenberry region is an emerging gold district.

The Transaction does not meet the definition of a business combination as no processes were acquired and has therefore been accounted for as an asset acquisition of mineral property interests.

Details of the fair value of identifiable assets acquired and purchase consideration paid is as follows:

5,000,000 common shares issued	\$	1,850,000
386,160 common shares issued as finders' fees		142,879
Cash payment		112,500
Loan receivable forgiven		250,000
Transaction costs		184,905
<b>Total purchase price</b>	<b>\$</b>	<b>2,540,284</b>
Exploration and evaluation assets acquired	\$	2,507,584
Reclamation deposit		32,700
<b>Total assets acquired</b>	<b>\$</b>	<b>2,540,284</b>

## 6. SHARE CAPITAL

### (a) Authorized

The Company has authorized an unlimited number of common shares without par value. As at August 31, 2022, the Company had 19,142,627 shares outstanding (February 28, 2022 – 19,142,627).

#### Fiscal 2022

There were no issuances of capital stock during the period ended August 31, 2022.

#### Fiscal 2021

On October 8, 2021, the Company issued 8,499,994 units for gross proceeds of \$2,379,998 (share issue costs \$76,904). Each unit consists of one common share and one-half of one common share purchase warrant (4,249,991 warrants issued) with each whole warrant being exercisable by the holder to purchase one additional common share at a price of \$0.40 per common share for a period of twenty-four (24) months from the date of issuance.

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(b) Escrow shares

As at August 31, 2022, there were 180,000 common shares being held in escrow and are subject to a TSX-V mandated CPC Escrow Agreement. The CPC escrow shares will be released as follows:

<b>Date of Automatic Release</b>	<b>Escrow Shares Released</b>	<b>Remaining Shares in Escrow</b>
October 12, 2022	45,000	180,000
April 12, 2023	45,000	135,000
October 12, 2023	45,000	90,000
April 12, 2024	45,000	45,000
May 31, 2023	45,000	-

In connection with the transaction with Bangles Gold, there was an escrow agreement placed on the 5,000,000 common shares issued as payment shares. 3,000,000 shares remain in escrow, and they will be released as follows:

<b>Date of Automatic Release</b>	<b>Escrow Shares Released</b>	<b>Remaining Shares in Escrow</b>
October 12, 2022	750,000	3,000,000
April 12, 2023	750,000	2,250,000
October 12, 2023	750,000	1,500,000
April 12, 2024	750,000	750,000
October 12, 2024	750,000	-

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(c) Stock options

The company did not issue stock options for the period ended August 31, 2022, or August 31, 2021.

A summary of the status of the Company's stock options at August 31, 2022 are as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding, March 1, 2021	-	-
Granted	1,200,000	\$0.28
Outstanding, February 28, 2022	1,200,000	\$0.28
Granted	-	-
Outstanding, August 31, 2022	1,200,000	\$0.28

Expiry Date	Weighted Average Exercise Price	Number of Options Outstanding	Weighted Average Remaining Contractual Life (in years)	Number of Options Exercisable (vested)
October 12, 2026	\$0.28	1,200,000	4.22	1,200,000
		1,200,000		1,200,000

(a) Warrants

As at August 31, 2022, there were 4,249,991 share purchase warrants outstanding. Each share purchase warrant is exercisable at a price of \$0.40 per common share. These warrants expire October 8, 2023.

There were no share purchase warrants outstanding as at August 31, 2022.

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**7. RELATED PARTY TRANSACTIONS**

The Company's related party transactions during the six months ended August 31, 2022 and 2021, consist of directors, officers, and the following companies with common directors:

<b>Related Party</b>	<b>Nature of Transactions</b>
CDM Capital Partners Inc. (Director, former CEO & CFO)	Rent
Chelmer Consulting Corp. (Director)	Professional fees
S2K Capital Corp. (Director)	Professional fees
Roma Capital Corp. (Officer)	Professional fees
Jason Bontempo (Director)	Professional fees
Ian Harris (CEO)	Professional fees

As at August 31, 2022, the Company had \$105,250 (February 28, 2022 - \$37,500) outstanding in accounts payable and accrued liabilities associated with related parties.

**Key Management Compensation**

Key management personnel are persons responsible for planning, directing, and controlling the activities of the Company, and include certain directors and officers. Key management compensation including amounts discussed above, are comprised of:

	Six months ended August 31, 2022	Six months ended August 31, 2021
Professional fees	\$ 86,700	\$ -
Rent	-	4,500
	\$ 86,700	\$ 4,500

**8. CAPITAL MANAGEMENT**

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and deficit.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements as at August 31, 2022.