



P A S O F I N O G O L D

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE AND SIX MONTHS ENDED
OCTOBER 31, 2024 AND 2023
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of Pasofino Gold Limited (the "Company") have been prepared by, and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditors.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited)

	As at October 31, 2024	As at April 30, 2024
ASSETS		
Current assets		
Cash	\$ 2,628,595	\$ 1,582,819
Amounts receivable	14,977	9,471
Marketable securities (note 5)	3,770	3,770
Prepaid expenses	166,124	441,335
Total current assets	2,813,466	2,037,395
Non-current assets		
Property, plant and equipment (note 6)	3,193	94,959
Total non-current assets	3,193	94,959
Total assets	\$ 2,816,659	\$ 2,132,354
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Amounts payable and other liabilities (notes 7 and 13)	\$ 5,059,607	\$ 5,121,977
Total current liabilities	5,059,607	5,121,977
Non-current liabilities		
Royalty liability (note 8)	9,861,722	8,914,236
Total non-current liabilities	9,861,722	8,914,236
Total liabilities	14,921,329	14,036,213
Shareholders' deficit		
Capital stock (note 9(b))	41,490,059	38,692,218
Contributed surplus (note 9(c)(d))	3,732,109	814,960
Accumulated other comprehensive loss	(3,490,592)	(3,592,573)
Accumulated deficit	(53,836,246)	(47,818,464)
Total shareholders' deficit	(12,104,670)	(11,903,859)
Total liabilities and shareholders' deficit	\$ 2,816,659	\$ 2,132,354

Nature of business and going concern (note 1)

Commitments and contingencies (note 14)

Subsequent events (note 15)

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Three months ended		Six months ended	
	October 31,		October 31,	
	2024	2023	2024	2023
Expenses				
Exploration expense (note 11)	\$ 868,151	\$ 358,048	\$ 1,838,065	\$ 958,941
Management fees (note 13)	81,884	149,165	199,670	292,929
Professional fees (note 12)	192,745	-	256,218	-
Office and general (note 12)	66,571	3,730	134,768	7,828
Director fees (note 13)	7,500	-	15,000	-
Investor relations	31,015	-	78,512	-
Communications and travel	46,120	-	68,792	-
Share-based payments (note 9(c))	2,457,498	-	2,457,498	-
Loss before the undernoted	(3,751,484)	(510,943)	(5,048,523)	(1,259,698)
Foreign exchange loss	(343,989)	(1,297)	(505,831)	(1,655)
Unrealized gain on marketable securities (note 5)	290	-	-	-
Change in fair value of royalty liability (note 8)	(410,362)	-	(692,486)	-
Gain on write-off of accounts payable	157,868	-	157,868	-
Other income	-	4,693	2,054	5,053
Net loss for the period	\$ (4,347,677)	\$ (507,547)	\$ (6,086,918)	\$ (1,256,300)
Basic and diluted loss per share (note 10)	\$ (0.04)	\$ (0.01)	\$ (0.05)	\$ (0.02)
Weighted average number of common shares outstanding - basic and diluted	112,332,681	54,027,783	112,279,969	54,027,783

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Three months ended October 31,		Six months ended October 31,	
	2024	2023	2024	2023
Net loss for the period	\$ (4,347,677)	\$ (507,547)	\$ (6,086,918)	\$ (1,256,300)
Other comprehensive income (loss)				
Items that will be reclassified subsequently to profit and loss				
Exchange difference on translating foreign operations	115,695	(83,506)	101,981	(1,357,288)
Total comprehensive loss for the period	\$ (4,231,982)	\$ (591,053)	\$ (5,984,937)	\$ (2,613,588)

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)**Condensed Interim Consolidated Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

	Six months ended	
	October 31,	
	2024	2023
Operating activities:		
Net loss for the period	\$ (6,086,918)	\$ (1,256,300)
Adjustments for:		
Depreciation (note 6)	91,338	750,327
Share-based payments (note 9(c))	2,457,498	-
Gain on write-off of accounts payable	(157,868)	-
Change in fair value of royalty liability (note 8)	692,486	-
Foreign exchange	357,409	(1,206,068)
Changes in non-cash working capital items:		
Amounts receivable	(5,506)	(1,384)
Prepaid expenses	275,211	(16,599)
Amounts payable and other liabilities	95,498	1,743,577
Net cash (used in) provided by operating activities	(2,280,852)	13,553
Financing activities:		
Private placement (note 9(b))	3,364,737	-
Share issue costs	(38,109)	-
Net cash provided by financing activities	3,326,628	-
Net change in cash	1,045,776	13,553
Cash, beginning of period	1,582,819	48,385
Cash, end of period	\$ 2,628,595	\$ 61,938

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficit

(Expressed in Canadian Dollars)

(Unaudited)

	Number of common shares	Capital stock	Contributed surplus	Accumulated other comprehensive loss	Accumulated deficit	Total
Balance, April 30, 2023	54,027,783	\$ 16,627,231	\$ -	\$ (3,420,788)	\$ (74,322,737)	\$ (61,116,294)
Other comprehensive loss	-	-	-	(1,357,288)	-	(1,357,288)
Net loss for the period	-	-	-	-	(1,256,300)	(1,256,300)
Balance, October 31, 2023	54,027,783	\$ 16,627,231	\$ -	\$ (4,778,076)	\$ (75,579,037)	\$ (63,729,882)
Balance, April 30, 2024	112,227,829	\$ 38,692,218	\$ 814,960	\$ (3,592,573)	\$ (47,818,464)	\$ (11,903,859)
Private placement (note 9(b))	4,806,767	3,364,737	-	-	-	3,364,737
Warrants (note 9(b))	-	(528,787)	528,787	-	-	-
Share issue costs	-	(38,109)	-	-	-	(38,109)
Stock options forfeited	-	-	(69,136)	-	69,136	-
Share-based payments (note 9(c))	-	-	2,457,498	-	-	2,457,498
Other comprehensive income	-	-	-	101,981	-	101,981
Net loss for the period	-	-	-	-	(6,086,918)	(6,086,918)
Balance, October 31, 2024	117,034,596	\$ 41,490,059	\$ 3,732,109	\$ (3,490,592)	\$ (53,836,246)	\$ (12,104,670)

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Business and Going Concern

Pasofino Gold Limited, ("Pasofino" or the "Company") was incorporated on August 18, 2010 under the Business Corporations Act of British Columbia. On April 19, 2013, the Company completed its Qualifying Transaction, and as a result, the Company ceased to be a CPC and commenced trading as a Tier 2 Mining Issuer on the TSX Venture Exchange ("TSXV") under the new trading symbol "NRL.V". In early 2017, the ticker was changed to "VEIN". On December 8, 2020, the Company's common shares commenced trading on the OTCQB Venture Market ("OTCQB") in the United States. The Pasofino ticker is (OTCQB: EFRGF).

The principal business of the Company is the acquisition, exploration, and development of mineral properties.

On December 8, 2023, Hummingbird Resources (Liberia) Inc. ("Hummingbird Liberia") completed the acquisition of Pasofino. Pursuant to the acquisition, all common shares of Hummingbird Liberia were exchanged for common shares of the Company (the "Transaction"). Refer to note 4. Hummingbird Liberia was identified as the accounting acquirer in the Transaction and as such, these consolidated financial statements present the continuation of Hummingbird Liberia and constituted a reverse acquisition of Pasofino by Hummingbird Liberia. As a result of the Transaction, Hummingbird Resources PLC ("Hummingbird PLC") is the ultimate parent of the Company.

The Company's head office, and registered and records office is 366 Bay Street, Suite 200, Toronto, Ontario, Canada, M5H 4B2.

The Company engages in exploration, evaluation and development of mineral exploration targets, principally for gold, within Liberia.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration and evaluation programs will result in profitable mining operations. The Company's continued existence 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 additional financing, if necessary, or alternatively upon the Company's ability to dispose its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, political uncertainty and currency exchange fluctuations and restrictions.

These unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on a going concern basis, which assumes the Company will be able to meet its obligations and continue its operations for the next 12 months. At October 31, 2024, the Company had an accumulated deficit of \$53,836,246 (April 30, 2024 - \$47,818,464), expects to incur further losses in the development of its business, and had working capital deficit of \$2,246,141 (April 30, 2024 – working capital deficit of \$3,084,582).

The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from raising equity capital and/or borrowing sufficient funds to meet current and future obligations. In order to continue as a going concern and meet its corporate objective, the Company will require additional financing through debt or equity issuances or other available means. However, there is no assurance that the Company will continue to be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties raise significant doubt regarding the Company's ability to continue as a going concern.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Business and Going Concern (Continued)

These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations. Such adjustments could be material.

2. Basis of Preparation

The Company applies IFRS as issued by the IASB and the interpretation issued by the IFRS Interpretations Committee. These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (“IAS”) 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 December 10, 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 year ended April 30, 2024. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending April 30, 2025 could result in restatement of these unaudited condensed interim consolidated financial statements.

3. Material Accounting Policies

These unaudited condensed interim consolidated financial statements have been prepared following the same accounting policies, critical estimates and judgements used in the preparation of the audited consolidated financial statements of the Company for the year ended April 30, 2024, which are available on SEDAR+ at www.sedarplus.ca, except as noted below.

New Standards

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non-current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024. The adoption of the amendments had no impact on the Company's unaudited condensed interim consolidated financial statements.

Future Policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is currently assessing the impact of these standards on the unaudited condensed interim consolidated financial statements.

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

4. Reverse Acquisition

On September 20, 2022, Pasofino exercised its option to acquire a 49% interest in Hummingbird Liberia pursuant to an earn-in agreement in respect of the Dugbe Gold Project in Liberia (the "Option Agreement"). These shares were issued concurrently with the closing of the acquisition of the remaining 51% discussed below.

On August 23, 2023, the shareholders of Pasofino approved Hummingbird PLC becoming the parent of Pasofino. In connection with Pasofino's exercise of its right under the Option Agreement, Hummingbird PLC sold to Pasofino, Hummingbird PLC's 51% interest in the issued and outstanding shares of Hummingbird Liberia and all shareholder loans made by Hummingbird PLC to Hummingbird Liberia in order for Pasofino to become owner of 100% of the Dugbe Gold project (prior to giving effect to the 10% carried interest of the Government of Liberia). In consideration for the Transaction, Hummingbird PLC will receive a 51% shareholding interest in Pasofino, as such interest is calculated and determined in accordance with the Option Agreement.

On December 8, 2023, the Company completed the Transaction and as consideration for the Transaction, Pasofino issued to Hummingbird PLC 54,027,783 common shares in the capital of the Company.

For accounting purposes, Hummingbird Liberia was treated as the accounting parent company (legal subsidiary) and Pasofino was treated as the accounting subsidiary (legal parent) in these unaudited condensed interim consolidated financial statements. As Hummingbird Liberia was deemed to be the acquirer for accounting purposes, its assets, liabilities and results of operations since incorporation are included in these unaudited condensed interim consolidated financial statements at their historical carrying value. Pasofino's results of operations have been included from the Transaction date, December 8, 2023. As Pasofino did not qualify as a business according to the definition in IFRS 3 Business Combinations, this reverse acquisition does not constitute a business combination and has been accounted for in accordance with IFRS 2 Share-based Payments, such that Hummingbird Liberia is deemed to have issued shares in exchange for the net assets and listing status of Pasofino. Upon completion of the Transaction, Hummingbird PLC, the former parent of Hummingbird Liberia, became the ultimate parent of the Company. The difference between the consideration given to acquire Pasofino and the fair value of Pasofino's net assets was recorded as a listing expense in the consolidated statement of loss in the Company's audited consolidated financial statements for the year ended April 30, 2024.

Prior to the Transaction, Pasofino had 51,909,046 issued and outstanding common shares. All issued and outstanding common shares of Hummingbird Liberia were exchanged for 54,027,783 common shares of Pasofino. As part of the acquisition, the Company acquired a net liabilities of \$171,633 and incurred listing expense of \$20,111,910.

Prior to the acquisition of the Company, Hummingbird Liberia had a shareholder loan balance of \$51,827,558 (US\$38,142,153) payable to Hummingbird PLC. As agreed in the Option Agreement, ARX assumed the pre-existing shareholder loan payable to Hummingbird PLC, which resulted in a capital contribution recorded, directly to accumulated deficit in the consolidated statements of changes in shareholders' deficit in the Company's audited consolidated financial statements for the year ended April 30, 2024.

Prior to the acquisition of the Company, Hummingbird Liberia owed a balance of \$594,213 (US\$437,500) to ARX for management fees payable under the Option Agreement. Upon completion of the Transaction, a gain on settlement of debt of \$594,213 was recorded in the consolidated statement of loss in the Company's audited consolidated financial statements for the year ended April 30, 2024.

The Company expensed \$75,223 of acquisition-related costs to the consolidated statement of loss during the year ended April 30, 2024 which consisted of legal fees, professional fees and filing fees.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

4. Reverse Acquisition (Continued)

Details of the allocation of the estimated fair values of identifiable assets acquired and liabilities assumed, and price consideration are as follows:

Purchase Price Consideration

51,909,046 common shares ⁽¹⁾	\$ 19,465,892
4,068,832 warrants ⁽²⁾	93,402
3,285,350 stock options ⁽³⁾	380,983
Total	\$ 19,940,277

Net Assets (Liabilities) Acquired (Estimated Fair Value)

Cash	\$ 610,338
Accounts receivable	7,010
Prepaid expenses	44,134
Marketable securities	3,625
Property, plant and equipment	3,375
Amounts payable and other liabilities	(840,115)
Total net (liabilities)	\$ (171,633)

Listing expense **\$ 20,111,910**

⁽¹⁾ The value of the shares was based on the December 8, 2023 quoted market price of \$0.375 per share.

⁽²⁾ The fair value of the warrants was estimated at \$93,402 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.375 (based on December 8, 2023 quoted market price); expected dividend yield of 0%; expected volatility of 91% (based on historical price data of the Company's common shares); risk-free interest rate of 4.16% and an expected life of 0.36 years. All outstanding warrants were fully vested at the Transaction date.

⁽³⁾ The fair value of the stock options was estimated at \$380,983 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.375 (based on December 8, 2023 quoted market price); expected dividend yield of 0%; expected volatility of 85% to 93% (based on historical price data of the Company's common shares); risk-free interest rate of 3.56% to 4.16% and an expected life of 0.39 to 3.17 years. All outstanding stock options were fully vested at the Transaction date.

5. Marketable Securities

April 30, 2024	Number of shares	Cost	Cumulative unrealized gain	Fair market value
QC Copper & Gold Inc. ("QC Copper")	29,000	\$ 3,625	\$ 145	\$ 3,770

October 31, 2024	Number of shares	Cost	Cumulative unrealized gain	Fair market value
QC Copper	29,000	\$ 3,625	\$ 145	\$ 3,770

During the three and six months ended October 31, 2024, the Company recorded an unrealized gain on marketable securities of \$290 and \$nil, respectively (three and six months ended October 31, 2023 - unrealized gain of \$nil) in the unaudited condensed interim consolidated statement of loss.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

6. Property, Plant and Equipment

Cost	Plant and machinery	Motor vehicles - light vehicles	Computer equipment	Exploration equipment	Road upgrades	New Camp	Other	Total
Balance, April 30, 2024	\$ 755,402	\$ 2,199,364	\$ 79,713	\$ 170,629	\$ 3,336,098	\$ 649,707	\$ 278,431	\$ 7,469,344
Foreign exchange adjustment	9,342	27,200	986	2,110	41,258	8,035	3,443	92,374
Balance, October 31, 2024	\$ 764,744	\$ 2,226,564	\$ 80,699	\$ 172,739	\$ 3,377,356	\$ 657,742	\$ 281,874	\$ 7,561,718

Accumulated depreciation

Balance, April 30, 2024	\$ 752,340	\$ 2,199,364	\$ 79,074	\$ 170,454	\$ 3,246,095	\$ 649,697	\$ 277,361	\$ 7,374,385
Depreciation	594	-	195	175	89,483	10	881	91,338
Foreign exchange adjustment	9,315	27,200	980	2,110	41,716	8,035	3,446	92,802
Balance, October 31, 2024	\$ 762,249	\$ 2,226,564	\$ 80,249	\$ 172,739	\$ 3,377,294	\$ 657,742	\$ 281,688	\$ 7,558,525

Carrying value

Balance, April 30, 2024	\$ 3,062	\$ -	\$ 639	\$ 175	\$ 90,003	\$ 10	\$ 1,070	\$ 94,959
Balance, October 31, 2024	\$ 2,495	\$ -	\$ 450	\$ -	\$ 62	\$ -	\$ 186	\$ 3,193

Geographic information

	Liberia	Canada	Total
Balance, April 30, 2024	\$ 94,959	\$ -	\$ 94,959
Balance, October 31, 2024	\$ 3,193	\$ -	\$ 3,193

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

7. Amounts Payable and Other Liabilities

	As at October 31, 2024	As at April 30, 2024
Amounts payables	\$ 426,531	\$ 41,781
Accrued liabilities	4,633,076	5,080,196
	\$ 5,059,607	\$ 5,121,977

8. Royalty liability

On December 17, 2012, Hummingbird Liberia entered into a royalty financing agreement with Ecora Resources PLC ("Ecora") in relation to Dugbe Gold Project. Under the terms of the agreement, Ecora advanced US\$15,000,000 to Hummingbird Liberia.

In 2016, when the Mineral Development Agreement ("MDA") had been approved by the Liberian government, the advances were converted into a 2% net smelter return royalty from any sales of product mined within a 20km radius of the Dugbe Gold Project. After an initial grace period of six months following the commencement of commercial production, in the event that quarterly sales of gold produced are less than 50,000 ounces, additional quarterly payments will be required until such time as the cumulative royalty paid is US\$15,000,000 (the maximum total payment in any such quarter is equivalent to the royalty that would have arisen on sales of 50,000 ounces of gold).

Following this period the royalty is 2% except where both the average gold price is above US\$1,800 and sales of gold are less than 50,000 ounces, in which case it increases to 2.5% in respect of that quarter.

The amount advanced of US\$15,000,000 is repayable in cash in certain limited circumstances, such as upon a change in control and through repayment from future production of the Dugbe Gold Project via quarterly royalty payments and therefore is treated as a financial liability.

The Company made an irrevocable election to classify the royalty liability at fair value through profit and loss. Therefore, the royalty liability is measured at its fair value at each reporting date. The fair value of the loan is determined to be \$9,861,722 at October 31, 2024 (April 30, 2024 - \$8,914,236).

The royalty liability is non-interest bearing and is secured by legal charges over the assets of Hummingbird Liberia and certain other subsidiaries of Hummingbird PLC, and a legal charge over the shares of Hummingbird Liberia and certain other subsidiaries of Hummingbird PLC.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

9. Capital Stock

- a) Authorized - Unlimited common shares without par value
- b) Issued - 117,034,596 common shares

Six months ended October 31, 2024:

- (i) On October 29, 2024, the Company closed the first tranche of a non-brokered private placement of units at \$0.70 per unit for gross proceeds of approximately \$3,339,537 (US\$2,480,799).

Each unit consists of one common share of the Company and one half of one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.90 for a period of 18 months following the issue date of the units. The Company has estimated the fair value of these warrants at \$524,835 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.59 (based on the implied share price in the unit financing); expected dividend yield of 0%; expected volatility of 93.00% (based on historical price data of the Company's common shares); risk-free interest rate of 3.10% and an expected life of 1.5 years.

A total of 4,770,767 common shares and 2,385,383 warrants were issued pursuant to the financing. All securities issued are subject to a 4 month hold period expiring March 1, 2025. The Company paid a finder's fee of \$12,294 in connection with the financing.

Brett Richards, a director of the Company, subscribed for 578,338 units.

- (ii) On October 31, 2024, the Company closed the second and final tranche of a non-brokered private placement of units at \$0.70 per unit for gross proceeds of approximately of \$25,200 (US\$18,720).

Each unit consists of one common share of the Company and one half of one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.90 for a period of 18 months following the issue date of the units. The Company has estimated the fair value of these warrants at \$3,952 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.59 (based on the implied share price in the unit financing); expected dividend yield of 0%; expected volatility of 92.78% (based on historical price data of the Company's common shares); risk-free interest rate of 3.10% and an expected life of 1.5 years.

A total of 36,000 common shares and 18,000 warrants were issued pursuant to the financing. All securities issued are subject to a 4 month hold period expiring March 1, 2025.

Six months ended October 31, 2023:

- (iii) There were no transactions during the six months ended October 31, 2023.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Six Months Ended October 31, 2024 and 2023

(Expressed in Canadian Dollars)

(Unaudited)

9. Capital Stock (Continued)

c) Stock options

The following table summarizes the stock option transactions during the six months ended October 31, 2024 and 2023:

	Number of stock options	Weighted average exercise price
Balance, April 30, 2023 and October 31, 2023	-	\$ -
Balance, April 30, 2024	3,015,708	\$ 1.15
Stock options issued granted (i)	7,465,000	0.70
Stock options forfeited	(596,427)	1.15
Balance, October 31, 2024	9,884,281	\$ 0.81

(i) On October 3 2024, the Company granted 7,465,000 stock options to directors, officers, employees and consultants. The stock options have an exercise price of \$0.70 per share, are valid for a eighteen-month period from the date of grant. The options vested immediately. The fair value of the 7,465,000 stock options issued was estimated at \$2,457,498 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.72 (based on quoted market price); expected dividend yield of 0%; expected volatility of 94.36% (based on historical price data of the Company's common shares); risk-free interest rate of 3.06% and an expected life of eighteen months. For the three and six months ended October 31, 2024, the impact on the unaudited condensed interim consolidated statement of loss and comprehensive loss was \$2,457,498 (three and six months ended October 31, 2023 - \$nil) and recorded as share-based payments.

The following table reflects the stock options issued and outstanding as of October 31, 2024:

Expiry date	Exercise price (\$)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable	Valuation (\$)
June 24, 2026	1.40	1,489,281	1.65	1,489,281	123,587
February 7, 2027	0.74	930,000	2.27	930,000	158,358
April 3, 2026	0.70	7,465,000	1.42	7,465,000	2,457,498
	0.81	9,884,281	1.56	9,884,281	2,739,443

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9. Capital Stock (Continued)

d) Warrants

The following table summarizes the warrant transactions during the six months ended October 31, 2024 and 2023:

	Number of warrants	Weighted average exercise price
Balance, April 30, 2023 and October 31, 2023	-	\$ -
Balance, April 30, 2024	3,145,500	\$ 0.65
Issued (note 9(b)(i)(ii))	2,403,383	0.90
Balance, October 31, 2024	5,548,883	\$ 0.76

The following table reflects the warrants issued and outstanding as of October 31, 2024:

Expiry date	Weighted average remaining contractual life (years)	Exercise price (\$)	Warrants outstanding	Valuation (\$)
August 8, 2025	0.77	0.65	3,145,500	463,879
April 29, 2026	1.49	0.90	2,385,383	524,835
May 1, 2026	1.50	0.90	18,000	3,952
	1.08	0.76	5,548,883	992,666

10. Net Loss Per Share

The calculation of basic and diluted loss per share for the three and six months ended October 31, 2024 was based on the loss attributable to common shareholders of \$4,347,677 and \$6,086,918, respectively (three and six months ended October 31, 2023 - \$507,547 and \$1,256,300, respectively) and the weighted average number of common shares outstanding of 112,332,681 and 112,279,969, respectively (three and six months ended October 31, 2023 - 54,027,783 and 54,027,783, respectively). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

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(Unaudited)

11. Mineral Properties

Exploration and evaluation expenditures incurred during the three and six months ended October 31, 2024 and 2023 are as follows:

	Three months ended October 31,		Six months ended October 31,	
	2024	2023	2024	2023
Properties				
Dugbe Gold Project				
Access road	\$ -	\$ -	\$ 70,023	\$ -
Annual license fees	-	1,767	-	208,615
Camp and support costs	56,072	-	129,448	-
Community fund	9,977	-	95,683	-
Depreciation	18,348	356,281	91,338	750,326
Drilling activities	-	-	188,736	-
Facility activities	25,304	-	66,340	-
Investor relation, marketing and communication	11,527	-	13,528	-
Other	3,378	-	3,378	-
Project related costs	-	-	1,643	-
Professional fees	57,870	-	83,384	-
Salaries and consultants	237,612	-	437,958	-
Study activities	203,837	-	259,228	-
Transport costs	68,517	-	133,658	-
Travel and accommodation	175,709	-	263,720	-
Exploration and evaluation expenditures	\$ 868,151	\$ 358,048	\$ 1,838,065	\$ 958,941

12. Supplementary Information

Office and General:	Three months ended October 31,		Six months ended October 31,	
	2024	2023	2024	2023
Administration and other expenses	\$ 43,248	\$ 3,730	\$ 99,601	\$ 7,828
Regulatory and shareholder filing fees	23,323	-	35,167	-
	\$ 66,571	\$ 3,730	\$ 134,768	\$ 7,828

Professional Fees:	Three months ended October 31,		Six months ended October 31,	
	2024	2023	2024	2023
Accounting fees	\$ 20,900	\$ -	\$ 36,002	\$ -
Consulting fees	6,869	-	40,085	-
Legal and audit fees	164,976	-	180,131	-
	\$ 192,745	\$ -	\$ 256,218	\$ -

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13. Related Party Transactions

During the three and six months ended October 31, 2024 and 2023, the Company entered into the following transactions with related parties, not disclosed elsewhere in these unaudited condensed interim consolidated financial statements:

Summary compensation of key management:

	Three months ended October 31,		Six months ended October 31,	
	2024	2023	2024	2023
Management fees	\$ 81,884	\$ -	\$ 199,670	\$ -
Director fees	\$ 7,500	\$ -	\$ 15,000	\$ -
Share-based payments	\$ 1,660,828	\$ -	\$ 1,660,828	\$ -

Related parties include the Board of Directors and management, close family and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

As at October 31, 2024, the Company has a balance payable of \$93,203 to certain directors (April 30, 2024 - \$60,000) and \$nil (April 30, 2024 - \$nil) to management which is due on demand, unsecured and non-interest bearing.

See also notes 4 and 9.

14. Commitments and Contingencies

The Company is party to certain contracts for the provision of management services to the Company. These contracts contain minimum commitments of US\$158,000 (\$212,000) due within one year and additional contingent payments of up to US\$1,104,000 (\$1,479,000) upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these unaudited condensed interim consolidated financial statements.

15. Subsequent Events

The Company adopted a shareholder rights plan (the "Rights Plan") effective November 1, 2024 (the "Effective Date"). Pursuant to the Rights Plan, one right (the "Right") attaches to each issued and outstanding common share of Pasofino. Subject to the terms of the Rights Plan, the Rights become exercisable in the event that any person, (together with any affiliates, associates and persons acting in concert, as applicable (the "Related Parties") becomes a beneficial holder of 20% or more of Pasofino's outstanding common shares without complying with the "Permitted Bid" provisions pursuant to the Rights Plan. In such circumstances holders of the Rights (other than the acquiring person and its Related Parties) will be permitted to exercise their Rights and purchase additional common shares of the Company at a substantial discount to the then market price of the Company's shares. The Rights Plan does not prohibit interested parties from proceeding with an unsolicited take-over bid in accordance with applicable Canadian securities laws.

While the Rights Plan is effective immediately, it is subject to (i) execution by Computershare Investor Services Inc. the proposed rights agent and (ii) ratification by the Company's shareholders within six months of its adoption. If the Rights Plan is not approved by the shareholders within six months of the Effective Date it, together with the outstanding Rights, will terminate and cease to be effective.

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15. Subsequent Events (Continued)

On December 2, 2024, the Company announced that it appointed Brett Richards as Chief Executive Officer with immediate effect. In addition to his appointment, the Company has granted Mr. Richards 1,000,000 incentive stock options under the Long-Term Incentive Plan. The options are exercisable at a price of \$0.60 per option, are valid for a term of 18 months from the date of grant and will vest in equal installments over a twelve-month period. Under the Long-Term Incentive Plan, 10% of the issued and outstanding common shares of the Company, totaling 11,703,459 common shares, are reserved for issuance. The granting of the options is subject to regulatory approval.

Warren Greenslade will revert to General Manager of the Dugbe Gold Project, based in country and at site. Mr. Greenslade has announced his intention to resign from the Company, effective January 31, 2025, to pursue other opportunities, and will work through a transition and handover over the forthcoming two months.