



Baru Gold Corp.

May 31, 2025

Condensed Interim Consolidated Financial Statements
(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

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

The Company's independent auditor has not performed a review of these interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

BARU GOLD CORPORATION

Condensed Interim Consolidated Statements of Financial Position

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	May 31, 2025	August 31 2024
	\$	\$
Assets		
Current assets:		
Cash and cash equivalents	333,927	48,330
Receivables (note 3)	13,116	43,032
Prepays and advances (note 4)	124,523	123,613
	471,566	214,975
Non-current assets:		
Right-of-use asset (note 7)	54,758	104,422
Exploration and evaluation assets (note 5)	9,973,238	9,382,126
	10,499,562	9,701,523
Liabilities and shareholder's equity		
Current liabilities:		
Accounts payable and accrued liabilities	5,377,453	4,675,994
Due to related parties (note 6)	1,261,251	1,041,150
Loan payable	22,900	23,100
Lease Liability (note 7)	-	103,678
Convertible debenture (note 8)	3,141,530	2,567,344
	9,803,134	8,411,266
Shareholders' equity:		
Share capital (note 9)	86,402,045	85,116,338
Commitment to issue shares (note 16)	-	-
Reserves (note 10)	22,825,855	22,377,049
Accumulated Deficit	(108,531,472)	(106,203,130)
	696,428	1,290,257
	10,499,562	9,701,523

Nature of operations and going concern (note 1)

Subsequent events (note 16)

See accompanying notes to the condensed interim consolidated financial statements.

Approved on behalf of the Board:

"Terry Filbert" Director

"R. Scott Chaykin" Director

BARU GOLD CORPORATION

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Three months ended May 31, 2025	Three months ended May 31, 2024	Nine Months ended May 31, 2025	Nine Months ended May 31, 2024
	\$	\$	\$	\$
General and administrative expenses:				
Amortization (note 7)	16,249	74	49,629	17,991
Consulting fees	30,656	42,905	104,893	106,245
Directors' fees (note 6)	22,500	22,500	67,500	67,500
Foreign exchange loss (gain)	(295,381)	(85,924)	(104,185)	(204,531)
Interest expense	855	9,682	7,502	23,587
Interest expense on convertible debt (note 8)	137,232	145,036	574,187	431,956
Investor relations	30,000	32,960	90,000	92,960
Management fees (note 6)	90,747	84,991	264,566	247,803
Office and administration	168,059	184,297	373,846	423,019
Professional fees	27,721	18,804	82,399	66,135
Rent	1,577	1,922	4,830	5,426
Share based compensation (note 10)	694,652	159,711	694,652	159,711
Transfer agent and regulatory fees	18,918	19,993	63,902	53,318
Travel and accommodation	18,048	13,918	54,621	86,818
Total general and administrative expenses	(961,833)	(650,869)	(2,328,342)	(1,577,938)
Loss on debt for shares settlement	-	-	-	(61,047)
Loss and comprehensive loss for the period	(961,833)	(650,869)	(2,328,342)	(1,638,985)
Basic and diluted loss per common share (note 11)	(0.00)	(0.00)	(0.00)	(0.01)
Weighted average number of common shares outstanding	299,680,274	234,712,653	290,777,709	236,096,660

See accompanying notes to the condensed interim consolidated financial statements.

BARU GOLD CORPORATION

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Reserves	Accumulated Deficit	Shareholders' Equity
		\$	\$	\$	\$
Balance, August 31, 2023	222,960,195	84,102,281	22,314,375	(103,904,818)	2,511,838
Private placements	22,201,450	521,529	-	-	521,529
Share issuance costs	-	(2,158)	598	-	(1,560)
Shares issued for debt	6,104,656	244,186	-	-	244,186
Share based awards	-	-	159,711	-	159,711
Loss for the period	-	-	-	(1,638,985)	(1,638,985)
Balance, May 31, 2024	251,266,301	84,865,838	22,474,684	(105,543,803)	1,796,719
Private placements	7,533,333	113,000	-	-	113,000
Share issuance costs	-	-	-	-	-
Shares issued for debt	6,875,000	137,500	-	-	137,500
Share based awards	-	-	(97,635)	-	(97,635)
Loss for the period	-	-	-	(659,327)	(659,327)
Balance, August 31, 2024	265,674,634	85,116,338	22,377,049	(106,203,130)	1,290,257

	Number of Shares	Share Capital	Commitment to Issue Shares	Reserves	Accumulated Deficit	Shareholders' Equity
		\$	\$	\$	\$	\$
Balance, August 31, 2024	265,674,634	85,116,338	-	22,377,049	(106,203,130)	1,290,257
Private placements	26,159,210	864,352	-	-	-	864,352
Share issuance costs	-	(3,304)	-	1,504	-	(1,800)
Warrant exercised	290,533	14,527	-	-	-	14,527
Shares issued for debt	10,852,133	162,782	-	-	-	162,782
Restricted share units	4,946,993	247,350	-	-	-	247,350
Share based awards	-	-	-	447,302	-	447,302
Loss for the period	-	-	-	-	(2,328,342)	(2,328,342)
Balance, May 31, 2025	307,923,503	86,402,045	-	22,825,855	(108,531,472)	696,428

See accompanying notes to the condensed interim consolidated financial statements.

BARU GOLD CORPORATION

Condensed Interim Consolidated Statements of Cash Flows

(Unaudited – Prepared by Management)

(Expressed in Canadian dollars)

	Period ended May 31, 2025	Period ended May 31, 2024
	\$	\$
Cash provided by (used in):		
Operating activities:		
Loss for the period	(2,328,342)	(1,638,985)
Items not involving cash:		
Amortization	49,629	17,991
Interest expense	7,175	23,587
Foreign exchange	89,869	(193,433)
Loss on settlement of debt	-	61,047
Share based awards	694,652	159,711
Interest expense on convertible debt	574,187	431,956
Legal expenses on convertible debt	-	12,728
Changes in non-cash operating working capital items:		
Receivables	29,941	(16,392)
Prepays and advances	(2,176)	(3,501)
Accounts payable and accrued liabilities	153,345	529,515
Due to related parties	389,133	418,419
	(342,587)	(197,357)
Investing activities:		
Exploration and evaluation assets	(145,058)	(322,119)
	(145,058)	(322,119)
Financing activities:		
Private placements	864,352	521,529
Share issuance costs	(1,800)	(1,560)
Warrants exercised	14,527	-
Lease payments	(103,837)	-
	773,241	519,969
Change in cash and cash equivalents	285,597	493
Cash and cash equivalents, beginning	48,330	38,112
Cash and cash equivalents, end	333,927	38,605
Cash and cash equivalents are comprised of:		
Cash	333,927	4,105
Cash equivalents	-	34,500
	333,927	38,605

Supplemental disclosure with respect to cash flows (note 14)

See accompanying notes to the the condensed interim consolidated financial statements.

BARU GOLD CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)
For the period ended May 31, 2025

1. Nature of operations and going concern

Baru Gold Corporation (“the Company”) was incorporated under the laws of British Columbia and is in the process of exploring its exploration and evaluation assets in Indonesia. The address of the Company’s corporate office and principal place of business is Suite 900 - 1021 West Hastings St, Vancouver, British Columbia, Canada. The Company is listed on the TSX Venture Exchange (“TSX-V”) under the trading symbol “BARU”.

The Company’s exploration and evaluation assets are in Indonesia. The Company also has not yet determined whether its exploration and evaluation assets contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing, permits to explore, develop, and achieve future profitable production activity from its exploration and evaluation assets or, alternatively, upon the Company’s ability to dispose of its interest on an advantageous basis. During the period ended May 31, 2025, the Company had a net loss and comprehensive loss of \$2,328,3429 (2024 - \$1,638,985) and had an accumulated deficit of \$108,531,472 respectively (August 31, 2024 - \$106,203,130). These material uncertainties may cast significant doubt upon the entity’s ability to continue as a going concern.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. These consolidated financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these condensed interim consolidated financial statements.

The political upheavals in various countries have caused significant volatility in commodity prices. While these effects are expected to be temporary, the duration of the business disruptions internationally and related financial impact cannot be reasonably estimated at this time.

The consolidated financial statements were authorized for issue on July 30, 2025, by the Board of Directors of the Company.

2. Material Accounting Policy Information

Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and, accordingly, should be read in conjunction with the Company’s annual consolidated financial statements for the year ended August 31, 2024.

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

BARU GOLD CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements
(Unaudited – Prepared by Management)
(Expressed in Canadian dollars)
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2. Material Accounting Policy Information (cont'd)

Basis of presentation (cont'd)

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and its subsidiaries is the Canadian dollar, which is also the reporting currency of the Company. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standards (“IAS”) 21.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries. Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to directly or indirectly govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account in the assessment of whether control exists. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date on which control ceases.

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries located in Canada (Sangihe Gold Corporation), Indonesia (PT. East Asia Minerals Indonesia), Hong Kong (East Asia Minerals HK Limited), and Indonesia (70% owned PT. Tambang Mas Sangihe). All inter-company transactions and accounts have been eliminated upon consolidation.

Significant accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in accordance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may vary from these estimates.

In preparing these condensed consolidated interim financial statements, significant judgments made by management in applying the Company’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended August 31, 2024.

Accounting Pronouncements not yet adopted

In January 2020, the IASB issued amendments to IAS 1, Presentation of Financial Statements, to provide a more general approach to the presentation of liabilities as current or non-current based on contractual arrangements in place at the reporting date.

These amendments:

- Specify that the rights and conditions existing at the end of the reporting period are relevant in determining whether the Company has a right to defer settlement of a liability by at least twelve months;
- Provide that management’s expectations are not relevant consideration as to whether the Company will exercise its rights to defer settlement of a liability; and
- Clarify when a liability is considered settled.

BARU GOLD CORPORATION

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2. Material Accounting Policy Information (cont'd)

Accounting Pronouncements not yet adopted (cont'd)

On October 31, 2022, the IASB issued a deferral of the effective date for the new guidance by one year to annual reporting periods beginning on or after January 1, 2024, and is to be applied retrospectively. The Company concluded that these amendments will not have a material effect on its consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1, Presentation of Financial Statements aims to improve how companies communicate in their financial statements, with a focus on information about financial performance in the statement of profit or loss, in particular additional defined subtotals, disclosures about management-defined performance measures and new principles for aggregation and disaggregation of information. IFRS 18 is accompanied by limited amendments to the requirements in IAS 7 Statement of Cash Flows. IFRS 18 is effective from January 1, 2027. Companies are permitted to apply IFRS 18 before that date. The Company has not yet determined the impact of this amendment on its consolidated financial statements.

3. Receivables

	May 31, 2025	August 31, 2024
	\$	\$
GST receivable	11,176	41,769
Other receivables	1,940	1,263
Total receivables	13,116	43,032

4. Prepaids and advances

Prepaid and advances at May 31, 2025, of \$124,523 (August 31, 2024 - \$123,613) included:

- \$37,500 (August 31, 2024 - \$37,500) were recorded for investor relations and marketing advances; and
- \$46,512 (August 31, 2024 - \$48,452) were recorded for rent and other deposits paid.

5. Exploration and evaluation assets

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mining properties. The Company has investigated title to its exploration and evaluation assets and, to the best of its knowledge, title to its property is in good standing.

The exploration and evaluation assets in which the Company has an interest are located in Indonesia and the Company is therefore relying on title opinions by legal counsel who are basing such opinions on the laws of Indonesia.

During fiscal 2006, the Company entered into a Memorandum of Understanding with certain Indonesian companies on exploration and evaluation assets (known as the Sangihe project) located in Indonesia. The Company has a 70% interest in the Sangihe project at May 31, 2025 (2024: 70%).

The Company has funded 100% of the exploration and development and operating expenditures of the exploration and evaluation assets and all project partners are to fund their proportionate share, or have their interest diluted.

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Notes to the Condensed Interim Consolidated Financial Statements
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5. Exploration and evaluation assets

The Company's exploration and evaluation assets consist of:

	Sangihe property (Indonesia)
	\$
Balance, August 31, 2023,	9,155,684
Drilling	(834,869)
Geology	81,578
Office and supplies	10,647
Professional fees	3,918
Travel	179,274
Technical reports	1,819
Tenement costs	255,964
Wages	615,111
Recovery of costs	(87,000)
Total additions	226,442
Balance, August 31, 2024,	9,382,126
	Sangihe property (Indonesia)
	\$
Balance, August 31, 2024,	9,382,126
Drilling	2,363
Geology	80,370
Office and supplies	5,078
Professional fees	261
Travel	1,089
Tenement costs	165,735
Wages	336,217
Total additions	591,112
Balance, May 31, 2025,	9,973,238

The Sangihe Project is located on the island of Sangihe, Indonesia. Certain foreign companies and foreign Indonesian joint venture companies exploring natural resources in Indonesia normally conduct their activities under Indonesian incorporated foreign investment joint venture companies, which are regulated by terms and conditions contained in a contract commonly referred to as the Contract of Work ("CoW Agreement"). A CoW Agreement is a legally binding contract between the Government of the Republic of Indonesia and a foreign-investment joint venture company, which is specifically incorporated to hold the title of the CoW area ("CoW Company"). In the CoW agreement, the Indonesian government grants the CoW Company the exclusive right to explore and mine mineral deposits that may exist in the contract area. The CoW Agreement covers comprehensive terms of engagement such as the various stages of exploration from general geological survey and exploration and bankable feasibility study to mining, royalty and taxes, employment, corporate social responsibilities, and environmental protection.

The rights to the Sangihe Gold project are secured by the CoW agreement, and the Company has the exclusive right to explore and mine mineral deposits that may exist in the contract area.

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Notes to the Condensed Interim Consolidated Financial Statements
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6. Related party transactions

Compensation and payments to key management personnel was as follows:

	Period Ended	
	May 31, 2025	May 31, 2024
	\$	\$
Fees and short-term benefits – management	264,566	247,803
Fees and short-term benefits – directors	67,500	67,500
Fees and short-term benefits – travel and health	55,134	60,872
Share-based awards	485,939	111,335
	873,139	487,510

As of May 31, 2025, \$1,261,251 (August 31, 2024 - \$1,041,150) is due to directors and officers of the Company which consists of accounts payable of \$985,930 (August 31, 2024 - \$735,225) and \$140,321 (August 31, 2024 - \$305,925) in loans payable. The amounts were non-interest bearing, unsecured, with no stated terms of repayment.

The Company entered into Executive Services Agreements (the “Agreements”) with the CEO and CFO (the “Executives”) for the provision of management services. The provision of the services shall continue until December 31, 2024, and extendable by a period of one year, unless otherwise terminated.

The CEO is eligible for an annual bonus paid based on certain targets set out by the Board. The bonus will be at least equal to the total annual salary to be paid for year for that year. If these targets are not achieved in its respective year, it will be deemed earned and the bonus paid once the target is achieved.

Should the parties be subject to termination without just cause, the Agreements will be terminated in no less than one month’s prior notice, and the Company will be required to pay two times the base salary at the time of termination and replacement costs equal to 24 months of any health, welfare, pension, life insurance and disability insurance benefits.

Should the Company be subject to a change of control and terminate any of the Agreements, the Agreements will be terminated in no less than one month’s prior notice, and the Company will be required to pay two times the base salary at the time of termination, replacement costs equal to 48 months of any health, welfare, pension, life insurance and disability insurance benefits, bonus payment of not less than an amount two times the average of the last three annual bonus/incentive payments paid, and \$1,000,000 every year the executive has represented the Company as CEO, or \$500,000 every year the executive has represented the Company as CFO or COO. The severance payments relating to the \$1,000,000 and \$500,000 may be converted into shares of the Company at a 20% discount to the closing share price on the 15th day after the termination date, or TSX-V approval.

BARU GOLD CORPORATION

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7. Right-of-use asset

The Company adopted IFRS 16 on September 1, 2019. On initial adoption, the Company has elected to record right-of use assets based on the corresponding lease obligation. Right-of-use asset and lease obligations were recorded as of September 1, 2019, with no impact on deficit. When measuring the present value of lease obligations, the Company discounted remaining lease payments using its incremental borrowing rate at September 1, 2019, which was a weighted-average rate of 10%.

Additional right-of-use asset and lease obligations were recorded as of April 14, 2024. When measuring the present value of lease obligations, the Company discounted remaining lease payments using its incremental borrowing rate at April 14, 2024, which was a weighted-average rate of 10%.

Right of use assets	Indonesia
	\$
Balance August 31, 2023	17,934
Additions	128,960
Amortization	(41,867)
Foreign exchange	(605)
Balance August 31, 2024	104,422
Additions	-
Amortization	(49,629)
Foreign exchange	(35)
Balance May 31, 2025	54,758

Lease liability	Office & Accommodation Indonesia
	\$
At August 31, 2023	-
Additions	128,960
Lease payments made	(27,273)
Interest expense on lease liabilities	5,108
Withholding taxes	(3,058)
Foreign exchange	(59)
At August 31, 2024	103,678
Additions	-
Lease payments made	(103,837)
Interest expense on lease liabilities	2,571
Withholding taxes	(4,823)
Foreign exchange	2,411
At May 31, 2025	-

BARU GOLD CORPORATION

Notes to the Condensed Interim Consolidated Financial Statements
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8. Convertible debenture

On July 19, 2022, the Company entered into a two (2) year secured convertible debenture (“convertible debenture”) arrangement with an unrelated third party; Mercer Street Global Opportunity Fund (“Mercer”), for gross principal balance of US\$2,000,000. The convertible debenture is repayable in cash in eighteen equal monthly installments equal to US\$111,111 commencing February 1, 2023. The principal balance can also be converted into common shares of the Company at a rate of US\$0.0384 per share at Mercer’s option any time after the 4th month from July 15, 2022. On the closing date the Company paid a total of US\$ 25,000 in legal fees which will be amortized over the term of the loan.

The convertible note was due July 19, 2024. The Company was unable to make the monthly interest payments and has been in default since January 31, 2023. For the period ending May 31, 2025, interest of \$574,187 (2024 - \$431,956) was recorded. Total amount due at May 31, 2025 is \$3,141,530 (August 31, 2024 - \$2,567,344) which includes default interest rate at 18% per annum of \$741,431 (August 31, 2024 - \$167,244).

9. Share capital

(a) Common shares

Authorized

Unlimited common shares, without par value.

Issued share capital

On May 31, 2025, there were 307,923,503 (August 31, 2024 – 265,674,634) issued and outstanding common shares.

During the nine months ended May 31, 2025, the Company:

- Issued 10,852,133 shares with a value of \$162,782 to an officer of the Company to settle outstanding debt for \$162,782.
- Completed a private placement of 3,533,330 units for proceeds of \$53,000. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.05.
- Completed a private placement of 3,747,333 units for proceeds of \$56,210. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.05.
- Issued 50,000 shares for warrants exercised at \$0.05 for total proceeds of \$2,500.
- Completed a private placement of 8,250,000 units for proceeds of \$330,000. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.06.
- Issued 240,533 shares for warrants exercised at \$0.05 for total proceeds of \$12,027.
- Completed a private placement of 8,408,047 units for proceeds of \$336,322. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.07. Finders’ fees of \$1,800 was paid in cash and 45,000 brokers’ warrants were issued and recorded at a fair value of \$1,504.

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9. Share capital (cont'd)

(a) Common shares (cont'd)

Issued share capital (cont'd)

During the nine months ended May 31, 2025, the Company:

- Issued 4,946,993 shares for restricted share units vested for a deemed value of \$247,350.
- Completed a private placement of 2,220,500 units for proceeds of 88,820. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.07.

During the year ended August 31, 2024, the Company:

- Completed a private placement of 3,875,000 units for proceeds of \$155,000. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.07 for the first year and \$0.10 for the second year. Finders' fees of \$720 was paid in cash and 18,000 brokers' warrants were issued and recorded at a fair value of \$598.
- Issued 6,104,656 shares with a value of \$244,186 to an officer of the Company to settle outstanding debt for \$183,140 and recorded a \$61,047 loss on settlement.
- Completed a private placement of 5,975,000 units for proceeds of \$119,500. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.05.
- Completed a private placement of 4,545,000 units for proceeds of \$90,900. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.05.
- Completed a private placement of 3,350,000 units for proceeds of \$67,000. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.05. Finders' fees of \$840 was paid in cash and 42,000 brokers' warrants were issued.
- Completed a private placement of 4,456,450 units for proceeds of \$89,129. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.05.
- Issued 6,875,000 shares with a value of \$137,500 to an officer and directors of the Company to settle outstanding debt for \$137,500.
- Completed a private placement of 7,533,333 units for proceeds of \$113,000. Each unit is comprised of one common share and one share purchase warrant. Each full warrant is exercisable for a term of two years for the purchase of an additional common share at a price of \$0.05.

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9. Share capital (cont'd)

(b) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	May 31, 2025		August 31, 2024	
	Number of warrants	Weighted average exercise price \$	Number of warrants	Weighted average exercise price \$
Warrants, beginning of the year	55,074,748	0.07	78,491,696	0.14
Issued	26,204,210	0.05	29,752,783	0.05
Exercised	(290,533)	0.05		
Expired/cancelled	(122,500)	0.10	(53,169,731)	(0.18)
Warrants, end of the period	80,865,925	0.07	55,074,748	0.07

The following warrants were outstanding at May 31, 2025:

Number of warrants	Exercise price (\$)	Expiry date
7,040,000	0.10	June 24, 2025 ⁽¹⁾
1,000,000	0.10	July 21, 2025 ⁽¹⁾
5,681,799	0.10	July 24, 2025 ⁽¹⁾
7,455,000	0.10	August 15, 2025 ⁽¹⁾
3,980,666	0.10	June 26, 2025 ⁽¹⁾
3,093,000	0.10	October 11, 2025
5,975,000	0.05	February 2, 2026
4,495,000	0.05	March 7, 2026
3,392,000	0.05	March 26, 2026
4,456,450	0.05	April 23, 2026
7,292,800	0.05	July 3, 2026
3,533,330	0.05	September 26, 2026
3,747,333	0.05	October 15, 2026
8,250,000	0.06	December 10, 2026
8,453,047	0.07	April 1, 2027
2,220,500	0.07	May 12, 2027
80,065,925		

⁽¹⁾ Subsequent to May 31, 2024, warrant expiry date was amended to December 31, 2025.

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9. Share capital (cont'd)

(b) Warrants (cont'd)

During the period ended May 31, 2025, the Company issued 45,000 (2024 – 18,000) finders' warrants with an initial fair market value of \$1,5041 (2024 - \$598) which was recorded as share issue costs. The following assumptions were used for the Black-Scholes valuation of the finders' warrants:

	Period Ended May 31, 2025	Period Ended February 29, 2024
Risk-free interest rate	2.43%	4.75%
Expected life of warrant	2	2
Expected dividend yield	0%	0%
Expected stock price volatility	214.92%	211.05
Fair value per warrant	\$0.06	\$0.03

10. Share-based payments

(a) Stock options

The Company has an incentive rolling stock option plan (the "Plan") in place under which it is authorized to grant options to executive officers, directors, employees, and consultants to acquire up to 10% of the outstanding issued common shares.

Included within the Plan is a Restricted Share Unit Plan (RSU) which allows for the issuance of a maximum of 11,646,993 RSU's and the RSU's can be settled by the issuance of common shares.

On May 3, 2024, the Company granted 4,946,993 RSUs with a fair value of \$98,940 and a vesting date of May 3, 2027. On May 5, 2025, the vesting of the RSU's was accelerated and \$98, 940 was expensed to share based compensation.

On May 12, 2025, the Company granted 7,490,371 RSUs with a fair value of \$374,520 and a vesting date of May 12, 2028.

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10. Share-based payments

(a) Stock options

The Plan allows for the option price at the time each option is granted to be not less than the discounted market price as calculated and defined in accordance with the policies of the TSX Venture Exchange (“TSX-V”). Options granted under the Plan will have a term not to exceed ten years. Vesting is determined at the discretion of the Board of Directors and in accordance with the policies of the TSX-V. Stock option transactions and the number of stock options outstanding are summarized as follows:

	May 31, 2025		August 31, 2024	
	Number of Options	Weighted average exercise price	Number of Options	Weighted average exercise price
		\$		\$
Outstanding, beginning of the period	18,061,750	0.09	15,886,750	0.10
Granted	9,210,000	0.06	8,825,326	0.05
Expired/Forfeited	(2,425,000)	0.05	(6,650,326)	0.05
Outstanding, end of the period	24,846,750	0.08	18,061,750	0.09

The following stock options were outstanding and exercisable at May 31, 2025:

Number of options outstanding	Number of options exercisable	Exercise price (\$)	Expiry date
1,000,000	1,000,000	0.10	July 16, 2025
1,700,000	1,700,000	0.15	September 9, 2025
1,475,000	1,475,000	0.155	January 6, 2026
6,700,000	6,700,000	0.11	January 29, 2026
3,800,000	3,800,000	0.05	May 3, 2026
761,750	761,750	0.07	July 15, 2026
200,000	200,000	0.05	December 30, 2027
6,860,000	6,560,000	0.06	December 12, 2026
2,350,000	2,200,000	0.05	May 5, 2027
24,846,750	24,396,750		

11. Basic and diluted loss per share

The calculation of basic and diluted loss per share for the period ended May 31, 2025, was based on the loss attributable to common shareholders of \$2,328,342 (2024 – \$1,638,985) and the weighted average number of common shares outstanding of 290,777,709 (2024 – 236,096,660).

Diluted loss per share did not include the effect of the outstanding stock options and the outstanding warrants as the effect would be anti-dilutive.

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12. Financial instruments

IFRS 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has exposure to the following risks from its use of financial instruments:

Credit risk

Credit risk is the risk of potential loss to the Company if the counter party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents and receivables. The Company limits exposure to credit risk by maintaining its cash and cash equivalents with high-credit quality financial institutions. Substantially all of the Company's cash and cash equivalents are held with a major Canadian financial institution. A significant portion of receivables is due from the Government of Canada for sales tax refunds. Management believes that the credit risk concentration with respect to cash and cash equivalents and receivables is minimal.

Management also considered the risk associated with the recovery of the advances made to certain parties in connection with services expected to be provided. The recovery of these advances is based on the parties agreeing to correspond and deliver to the Company the services either directly or through another party. The carrying amount of financial assets represents the maximum credit exposure to the Company.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has a planning and budgeting process in place to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company ensures that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

As of May 31, 2025, the Company had cash and cash equivalents of \$51,374 (August 31, 2024 - \$48,330) to settle current liabilities of \$9,555,374 (August 31, 2024 - \$8,411,266).

Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is uncertain. There can be no assurance of continued access to significant equity funding.

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12. Financial instruments (cont'd)

Interest and foreign exchange risk

The Company is subject to normal risks including fluctuations in foreign exchange rates and interest rates. While the Company manages its operations in order to minimize exposure to these risks, it has not entered into any derivatives or contracts to hedge or otherwise mitigate this exposure. At May 31, 2025, the Company was not exposed to significant interest rate risk.

Certain of the Company's operating expenditures are denominated in United States Dollars ("USD") and Indonesian Rupiah ("IDR"). The Company's exposure to exchange rate fluctuations arises mainly on foreign currencies against the Canadian dollar functional currency of the relevant business entities. The Company is principally engaged in the exploration and development of mineral properties in Indonesia.

Financial assets

The Canadian dollar equivalent of the amounts denominated in foreign currencies are as follows:

May 31, 2025	USD	IDR	Total
	\$	\$	\$
Cash and cash equivalents	63,996	55,928	119,924

August 31, 2024	USD	IDR	Total
	\$	\$	\$
Cash and cash equivalents	762	2,015	2,777

Financial liabilities

The exposure of the Company's financial liabilities to currency risk is as follows:

May 31, 2025	USD	IDR	Total
	\$	\$	\$
Accounts payable	359,207	1,168,533	1,527,760

August 31, 2024	USD	IDR	Total
	\$	\$	\$
Accounts payable	267,472	1,147,242	1,414,714

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12. Financial instruments (cont'd)

Sensitivity analysis

The Company is exposed to foreign currency risk on fluctuations related to cash and cash equivalents, receivables and accounts payable and accrued liabilities that are denominated in USD. As of May 31, 2025, net financial liabilities totaling \$295,212 (August 31, 2024 - \$266,710) were held in USD and net financial liabilities totaling \$1,112,625 (August 31, 2024 – \$1,145,227) were held in IDR.

Based on the above net exposure as of May 31, 2025, and assuming all other variables remain constant, a 1% depreciation or appreciation of the USD against the Canadian dollar would result in an increase or decrease of approximately \$2,9527 (2024 - \$2,262) in the Company's loss and comprehensive loss. A 1% depreciation or appreciation of the IDR against the Canadian dollar would result in an increase or decrease of approximately \$11,126 (2024 - \$10,051) in the Company's loss and comprehensive loss.

13. Capital management

The Company considers the items in shareholders' equity as capital. The Company manages and adjusts its capital structure based on available funds in order to support the acquisition and exploration of its exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and development, and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it believes there is sufficient geological or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the period ended May 31, 2025. The Company is not subject to externally imposed capital requirements.

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14. Supplemental disclosure with respect to cash flows

The Company's significant non-cash transactions during the period ended May 31, 2025 were as follows:

- (a) Included in exploration and evaluation assets is \$3,552,876 which relates to accounts payable and accrued liabilities (net of reversal for \$2,925,819 at August 31, 2024);

The Company's significant non-cash transactions during the period ended February 29, 2024 were as follows:

- (a) Included in exploration and evaluation assets is \$3,483,494 which relates to accounts payable and accrued liabilities (net of reversal for \$2,788,547 at August 31, 2023);
- (b) Issued 18,000 common share purchase warrants as finders' warrants valued at \$598 related to a private placement.

15. Segmented information

The Company primarily operates in one reportable operating segment, being the acquisition and exploration of exploration and evaluation assets located in Indonesia.

The breakdown of the Company assets are as follows:

May 31, 2025	Indonesia
Exploration and evaluation assets	54,758
Right of use asset	9,973,238
Total	10,027,996
August 31, 2024	Indonesia
	\$
Exploration and evaluation assets	9,382,126
Right of use asset	104,422
Total	9,486,548

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16. Subsequent events

- a) On July 16, 2025, the Company closed the first tranche of a private placement for \$897,952.50 and issued 10,564,146 Units. Each unit will be comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each Warrant shall be exercisable for one Share for 2 years from the date such Warrant is issued at an exercise price of \$0.115. Finder's fees of \$12,048.75 were paid in cash and 141,750 finders warrants equal to 7% of the gross subscription proceeds raised in this tranche to two finders in accordance with the policies of the TSX Venture Exchange. The finder's warrants are exercisable for one Share for two years from the date such Warrant is issued at an exercise price of \$0.115.
- b) On July 22, the Company closed the second and final tranche of a private placement for \$485,653.07 and issued 5,713,565 Units. Each unit will be comprised of one common share in the capital of the Company and one non-transferable common share purchase warrant. Each Warrant shall be exercisable for one Share for 2 years from the date such Warrant is issued at an exercise price of \$0.115.
- c) Subsequent to May 31, 2025, the Company received proceeds of \$333,675.26 for the exercise of 6,038,218 stock options.
- d) Subsequent to May 31, 2025, the Company received proceeds of \$837,141.65 for the exercise of 15,940,972 warrants.