

VR RESOURCES LTD.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the six months ended September 30, 2023
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

NOTICE TO READER

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

The condensed consolidated interim financial statements of the Company for the quarter ended September 30, 2023, have been prepared by and are the responsibility of the Company's management.

The Company's independent auditors have not performed a review of these unaudited condensed consolidated interim financial statements in accordance with the standards established by the CPA Canada for a review of interim condensed consolidated financial statements by an entity's auditor.

VR RESOURCES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

(Unaudited – Prepared by management)

(Expressed in Canadian Dollars)

	September 30, 2023	March 31, 2023
ASSETS		
Current		
Cash (Note 3)	\$ 1,346,484	\$ 744,191
Receivables (Note 4)	46,587	25,263
Prepaid expenses	27,770	28,338
	1,420,841	797,792
Equipment (Note 5)	1,347	1,585
Exploration and evaluation assets (Note 6)	7,802,260	10,313,757
Reclamation bond (Note 7)	80,689	80,766
	\$ 9,305,137	\$ 11,193,900
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 8)	\$ 40,045	\$ 110,956
	40,045	110,956
Shareholders' equity		
Share capital (Note 9)	24,288,343	21,963,227
Reserves (Note 9)	2,942,824	2,660,596
Deficit	(18,609,888)	(14,182,248)
Accumulated other comprehensive income	643,813	641,369
	9,265,092	11,082,944
	\$ 9,305,137	\$ 11,193,900

Nature of operations and going concern (Note 1)

On behalf of the Board
on November 3, 2023

“Michael Gunning”

Director

“Craig Lindsay”

Director

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

VR RESOURCES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE SIX-MONTH PERIODS ENDED SEPTEMBER 30**

(Unaudited – Prepared by management)

(Expressed in Canadian Dollars)

	Three Months Ended Sept. 30, 2023	Three Months Ended Sept. 30, 2022	Six Months Ended Sept. 30, 2023	Six Months Ended Sept. 30, 2022
EXPENSES				
Consulting fees (Note 10)	\$ 13,259	\$ 6,000	\$ 50,825	\$ 17,350
Depreciation (Note 5)	119	170	238	340
Foreign exchange (gain) loss	(585)	(6,683)	8,426	(2,810)
Investor relations and promotion	11,796	43,804	56,210	80,881
Office	12,295	20,508	28,211	34,550
Professional fees	12,450	39,925	34,198	51,307
Rent	6,150	6,000	12,150	12,000
Salaries (Note 10)	61,307	50,144	122,342	140,149
Share-based payments (Note 8,10)	-	136,211	239,221	136,211
Regulatory and transfer agent	12,672	15,331	25,226	21,225
	(129,463)	(311,410)	(577,047)	(491,203)
Other income – flow-through (Note 9)	66,799	-	239,137	208,758
Interest income	1,003	536	1,894	2,968
Impairment of exploration and evaluation assets	(4,091,624)	18,083	(4,091,624)	(5,353)
Net Loss for the period	(4,153,285)	(292,791)	(4,427,640)	(284,830)
Other comprehensive income (loss) to be reclassified to profit or loss in subsequent years:				
Translation adjustment	105,622	537,327	2,445	590,266
Gain (Loss) and comprehensive Gain (loss) for the period	\$ (4,047,663)	\$ 244,536	\$ (4,425,195)	\$ 305,436)
Loss per common share				
-Basic and diluted	\$ (0.04)	\$ (0.00)	\$ (0.04)	\$ (0.00)
Weighted average number of common shares outstanding				
-Basic and diluted	113,964,726	86,408,913	110,956,872	84,914,991

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

VR RESOURCES LTD.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIODS ENDED SEPTEMBER 30**

(Unaudited – Prepared by management)

(Expressed in Canadian Dollars)

	2023	2022
OPERATING ACTIVITIES		
Loss for the period	\$ (4,427,640)	\$ (284,830)
Items not affecting cash:		
Share-based payments	239,221	136,211
Depreciation	238	340
Flow-through premium liability	(239,139)	(208,758)
Impairment of exploration and evaluation assets	4,036,472	-
Foreign exchange on reclamation bond	77	-
Changes in non-cash working capital items:		
Receivables	(21,324)	(13,639)
Prepaid expenses	568	38,448
Accounts payable and accrued liabilities	1,747	9,643
Net cash used in operating activities	(409,778)	(322,585)
FINANCING ACTIVITIES		
Proceeds from the issuance of shares, net of share issue cost	2,607,261	1,892,946
Net cash provided by financing activities	2,607,261	1,892,946
INVESTING ACTIVITIES		
Exploration and evaluation assets	(1,595,190)	(1,766,365)
Reclamation bond	-	(5,334)
Net cash used in investing activities	(1,595,190)	(1,771,699)
Change in cash during the period	602,293	(201,338)
Cash, beginning of period	744,191	1,968,469
Cash, end of period	\$ 1,346,484	\$ 1,767,131
Cash paid during the period for:		
Income taxes	\$ -	\$ -
Interest	\$ -	\$ -

Supplemental disclosure with respect to cash flows (Note 10)

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

VR RESOURCES LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

SEPTEMBER 30, 2023

(Unaudited - Expressed in Canadian Dollars)

	Share capital						
	Number of Shares	Amount	Share subscriptions received in advance	Reserves	Deficit	Accumulated Other Comprehensive Income	Total
Balance as at March 31, 2022	83,701,942	20,161,916	-	2,407,994	(11,781,303)	139,730	\$ 10,928,337
Private Placement	11,798,917	1,955,460	-	-	-	-	1,955,460
Flow-through premium	-	(101,450)	-	-	-	-	(101,450)
Share issue cost - private placement	-	(62,514)	-	-	-	-	(62,514)
Share-based payments	-	-	-	136,211	-	-	136,211
Translation adjustment	-	-	-	-	-	590,266	590,266
Loss and comprehensive loss	-	-	-	-	(284,830)	-	(284,830)
Balance as at September 30, 2022	95,500,859	21,953,412	-	2,544,205	(12,066,133)	729,996	- 13,161,480
Private Placement	1,670,000	300,600	-	-	-	-	300,600
Flow-through premium	-	(108,550)	-	-	-	-	(108,550)
Share issue cost - private placement	-	(65,844)	-	-	-	-	(65,844)
Residual value of warrants	-	(116,391)	-	116,391	-	-	-
Translation adjustment	-	-	-	-	-	(88,627)	(88,627)
Loss and comprehensive loss	-	-	-	-	(2,116,115)	-	(2,116,115)
Balance as at March 31, 2023	97,170,859	21,963,227	-	2,660,596	(14,182,248)	641,369	- 11,082,944
Private Placement	16,745,497	2,713,504	-	-	-	-	2,713,504
Flow-through premium	-	(239,138)	-	-	-	-	(239,138)
Share issue cost - private placement	-	(118,743)	-	-	-	-	(118,743)
Exercise of warrants	50,000	12,500	-	-	-	-	12,500
Residual value of warrants	-	(43,007)	-	43,007	-	-	-
Share-based payments	-	-	-	239,221	-	-	239,221
Translation adjustment	-	-	-	-	-	2,444	2,444
Loss and comprehensive loss	-	-	-	-	(4,427,640)	-	(4,427,640)
Balance as at September 30, 2023	113,966,356	\$ 24,288,343	\$ -	2,942,824	\$ (18,609,888)	\$ 643,813	\$ 9,265,092

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

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

VR Resources Ltd. (the “Company”) was incorporated on May 7, 2015, by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) and continued into British Columbia on March 17, 2017. The Company’s head office address is 1500 – 409 Granville Street, Vancouver, BC, V6C 1G8. The Company’s registered and records office address is 550 Burrard Street, Suite 2300, Vancouver, BC, V6E 2B5. To date, the Company has not earned operating revenue.

As at September 30, 2023, the Company has working capital of \$1,380,796 and an accumulated deficit of \$18,609,888. The Company expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

The Company is in the process of exploring its own mineral exploration properties and evaluating new properties for potential acquisition. The Company has not yet determined whether its properties contain 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 to complete the development of those reserves and upon future profitable production.

These condensed consolidated interim financial statements have been prepared based on accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal courses of business rather than through a process of forced liquidation. These condensed consolidated interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset and amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

The economic uncertainties around persistent inflation pressure, geopolitical events and the lingering COVID-19 pandemic have the potential to slow growth in the global economy. Future developments in these challenging areas could impact on the Company’s results and financial condition and the full extent of that impact remains unknown.

2. MATERIAL ACCOUNTING POLICIES**Basis of presentation**

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) applicable to the preparation of condensed consolidated interim financial statements, including International Accounting Standard (“IAS”) 34, “Interim Financial Reporting”. The condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ended March 31, 2023, which have been prepared in accordance with IFRS as issued by the IASB. In the opinion of management, all adjustments considered necessary for fair presentation of the Company’s financial position, results of operations and cash flows have been included. Operating results for the six-month period ended September 30, 2023, are not necessarily indicative of the results that may be expected for the year ending March 31, 2024.

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

2. MATERIAL ACCOUNTING POLICIES (cont'd)

These condensed consolidated interim financial statements have been prepared on a historical cost basis, except for financial instruments classified as fair value through profit and loss, which are stated at their fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting and are presented in Canadian dollars.

These condensed consolidated interim financial statements of the Company include the balances of its subsidiaries, Renntiger Resources Ltd. and Renntiger USA Ltd., which are wholly owned subsidiaries.

The Company consolidates its subsidiaries on the basis that it controls the subsidiaries through its ability to govern its financial and operating policies.

New accounting policies and amendments

Effective for annual periods beginning on or after January 1, 2024

Amendment to IAS 1: *Presentation of Financial Statements*

Amendments to IAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

3. CASH

The Company's cash consist of the following:

	September 30, 2023	March 31, 2023
Cash	\$ 1,346,484	\$ 744,191
Total	\$ 1,346,484	\$ 744,191

4. RECEIVABLES

Receivables consist of GST receivable of \$46,587 (2023 - \$25,263) and the receivable is current. The Company does not have any allowance for doubtful accounts as at September 30, 2023. Due to their short-term maturities, the fair value of receivables approximates their carrying value.

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

5. EQUIPMENT

	Computer Equipment
Cost:	
Balance at March 31, 2022, 2023 and September 30, 2023	\$ 11,020
Accumulated Depreciation:	
Balance at March 31, 2022	\$ 8,756
Depreciation	679
Balance at March 31, 2023	\$ 9,435
Depreciation	238
Balance at September 30, 2023	\$ 9,673
Net Book Value:	
Balance at March 31, 2023	\$ 1,585
Balance at September 30, 2023	\$ 1,347

6. 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 exploration and evaluation assets. The Company has investigated title to all its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties are in good standing.

a) Bonita – Nevada, USA

The Company acquired the Bonita copper-gold property in Humboldt County, Nevada, USA, through staking. Upon initiation of a diamond drill program within the area of interest surrounding the original property (completed during the year ended March 31, 2018), the Company issued 900,000 common shares to the original finder in two stages: 450,000 in July 2014 upon execution of Finders Agreement, and; 450,000 in September, 2017, upon execution of a drill program, for a cumulative fair value of \$463,500.

During the period ended September 30, 2023, the Company determined that the carrying value of its interest in the Bonita property was impaired because no additional expenditures are planned for the property at this time. The Company accordingly wrote off acquisition and exploration expenditures on the property of \$4,071,255 as impairment of exploration and evaluation assets.

The Company has a 100% interest in the claims, free and clear of any interests or royalties.

b) Big Ten Project – Nevada, USA

The principal properties comprising the Big Ten project are Danbo, Amsel and Clipper and are summarized below.

Danbo Property

The Company owns a 100% interest in certain unpatented mining claims located in Nye County, Nevada, USA. The property is also subject to a 3% net smelter returns royalty and the Company has the right to purchase one-half of the royalty for US \$3,000,000.

Amsel Property

The Company owns a 100% interest in the Amsel property located in Nye County, Nevada, USA. As

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd...)

consideration, the Company paid US\$60,000 in cash and issued 100,000 common shares with a fair value of \$37,750. The vendor has been granted a 2% net smelter returns royalty and the Company has the right to buy back up to one-half of the royalty for US\$500,000 per half a percent.

Clipper Property

The Company acquired the Clipper property, which is located near the Danbo property, by staking.

c) Ranoke Property, Ontario, Canada

The Company acquired the Ranoke property directly by staking in April 2019. The property is owned 100% by the Company, free and clear of any interests or royalties. The claims are in good standing through April 2025.

d) Hecla-Kilmer Property, Ontario, Canada

The Company owns a 100% interest in the Hecla-Kilmer property located in Ontario, Canada. As consideration, the Company paid \$65,000 in cash and issued 175,000 common shares with a fair value of \$55,875. The vendor has been granted a 3% net smelter returns royalty and the Company has the right to buy back 1.5% of the royalty for \$500,000 for each 0.5% for a maximum cost of \$1,500,000.

e) Reveille Property, Nevada, USA

The Company owns a 100% interest in the Reveille property located in Nevada, USA. As consideration, the Company paid US\$70,000 in cash and issued 200,000 common shares with a fair value of \$70,000. The vendor has been granted a 3% net smelter returns royalty and the Company has the right to buy back 1.5% of the royalty for US\$500,000 for each 0.5% for a maximum cost of US\$1,500,000.

During the year ended March 31, 2023, the Company determined that the carrying value of its interest in the Reveille property was impaired because no additional expenditures, at this time, are planned for the property. The Company accordingly wrote off acquisition and exploration expenditures on the property of \$1,953,750 as impairment of exploration and evaluation assets.

f) New Boston, Nevada, USA

The Company acquired a 100% interest in the New Boston copper-molybdenum property located in Mineral County, Nevada, USA, in September 2017. To acquire the New Boston property, the Company paid \$12,835 (US\$10,000) and will issue 100,000 common shares in two stages 50,000 shares of which were issued in 2018 with a fair value of \$16,250 and a second 50,000 shares upon completion of a drill program on the property. The Company started capitalizing costs in 2023.

g) Forsyth, Saskatchewan, Canada

During the year ended March 31, 2023, the Company entered into an option agreement to acquire a 100% interest in the Forsyth property located in northern Saskatchewan. To acquire the Forsyth property, the Company will pay \$5,000 (paid) and complete a drill program of at least three drill holes by August 12, 2025, (earn-in date). The vendor has been granted a 2% net smelter returns royalty and the Company has the right to buy back within 2 years of the earn-in date 1.0% of the royalty for \$2,000,000 for each 0.5% for a maximum cost of \$4,000,000.

h) Northway, Ontario, Canada

During the year ended March 31, 2022, the Company staked the original 64 claims for the Northway property located in northern Ontario, Canada, and then during the year ended March 31, 2023, staked another 284 claims in 19 properties covering magnetic anomalies around Northway following the kimberlite discovery in the first drill hole at Northway in November, 2022. The Company owns 100% of all the properties.

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd...)

	New Boston	Northway	Forsyth	Hecla-Kilmer	Bonita	Big Ten	Junction	Reveille	Total
Acquisition costs									
Balance, March 31, 2023	\$ 42,003	\$ 12,300	\$ 5,000	\$ 132,525	\$ 1,210,516	\$ 639,469	\$ -	\$ -	\$ 2,041,813
Staking fees	-	1,650	-	-	-	-	-	-	1,650
Land administration	16,945	-	-	-	6,713	10,769	5,555	10,769	50,751
Translation adjustment	123	-	-	-	(653)	(173)	-	104	(599)
	17,068	1,650	-	-	6,060	10,596	5,555	10,873	51,802
Impairment	-	-	-	-	(1,216,576)	-	(5,555)	(10,873)	(1,233,004)
Balance, September 30, 2023	\$ 59,071	\$ 13,950	\$ 5,000	\$ 132,525	\$ -	\$ 650,065	\$ -	\$ -	\$ 860,611
Deferred exploration costs									
Balance, March 31, 2023	\$ 29,495	\$ 15,000	\$ 7,500	\$ 4,367,945	\$ 2,857,426	\$ 994,578	\$ -	\$ -	\$ 8,271,944
Drilling	-	234,532	-	214,732	-	-	-	-	449,264
Field	4,669	200,437	-	346,918	-	-	587	3,316	555,927
Geochemistry	621	142,849	-	87,204	-	207	-	-	230,881
Geophysical	121,352	7,762	-	18,460	-	-	-	-	147,574
Geological	14,803	93,512	-	33,320	-	-	-	-	141,635
Translation adjustment	6,706	-	-	-	(2,747)	(953)	6	32	3,044
	148,151	679,092	-	700,634	(2,747)	(746)	593	3,348	1,528,325
Impairment	-	-	-	-	(2,854,679)	-	(593)	(3,348)	(2,858,620)
Balance, September 30, 2023	\$ 177,646	\$ 694,092	\$ 7,500	\$ 5,068,579	\$ -	\$ 993,832	\$ -	\$ -	\$ 6,941,649
Balance, September 30, 2023	\$ 236,717	\$ 708,042	\$ 12,500	\$ 5,201,104	\$ -	\$ 1,643,897	\$ -	\$ -	\$ 7,802,260

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

7. RECLAMATION BOND

The Company has a refundable reclamation bond related to its Big Ten Project with the USDA Forest Service in the state of Nevada, USA covering the Amsel Property for \$58,653 (US\$44,300) (2023 - \$59,951 (US \$44,300)) and a reclamation bond on its Reveille Project with the Bureau of Land Management for \$20,365 (2023 - US\$15,381).

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2023	March 31, 2023
Trade Payables	\$ 11,760	\$ 62,689
Accrued Liabilities	28,285	48,267
	<u>\$ 40,045</u>	<u>\$ 110,956</u>

9. SHARE CAPITAL AND RESERVES

Authorized – Unlimited common shares without par value

During the quarter ended September 30, 2023

- The Company closed a non-brokered private placement consisting of 4,300,743 units at a price of \$0.14 per unit and 7,971,250 flow-through units at a price of \$0.16 per flow-through share for total gross proceeds of \$1,877,504. A flow-through premium liability of \$239,137 was allocated to the flow-through obligation of this private placement, and the remainder of proceeds were allocated to share capital. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of \$0.23 per common share to October 19, 2025. The Company paid cash fees of \$53,514 and share issue costs of \$12,656 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. A value of \$30,300 was attributed to the warrants using the residual value method.

During the period ended September 30, 2023, all flow through funds were spent on eligible exploration expenditures and the flow through premium was recognized in other income.

- The Company closed a non-brokered private placement consisting of 2,422,222 units at a price of \$0.18 per unit and 2,051,282 flow-through units at a price of \$0.195 per flow-through share for total gross proceeds of \$836,000. Each unit consists of one common share of the Company and one common share purchase warrant, and each flow-through unit consist of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of \$0.25 per common share for a period of thirty-six months from date of issuance. The Company paid cash fees of \$24,000 and share issue costs of \$28,573 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. A value of \$12,707 was attributed to the warrants using the residual value method.

During the period ended September 30, 2023, \$100,527 of the flow through funds were spent on eligible exploration expenditures.

- The Company issued 50,000 common shares on the exercise of warrants for proceeds of \$12,500.

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (cont'd...)During fiscal 2023

- The Company closed a non-brokered private placement consisting of 6,443,750 units at a price of \$0.16 for gross proceeds of \$1,031,000. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of \$0.25 per common share to February 29, 2024. The Company paid cash fees of \$11,940 and share issue costs of \$750 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. A value of \$96,656 was attributed to the warrants using the residual value method.
- The Company closed a non-brokered private placement consisting of 1,973,500 units at a price of \$0.16 per unit and 3,381,667 flow-through units at a price of \$0.18 per flow-through share for total gross proceeds of \$924,460. A flow-through premium liability of \$101,450 was allocated to the flow-through obligation of this private placement, and the remainder of proceeds were allocated to share capital. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of \$0.25 per common share to March 23, 2024. The Company paid cash fees of \$48,875 and share issue costs of \$949 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. A value of \$19,735 was attributed to the warrants using the residual value method.

During the year ended March 31, 2023, all of the flow through funds were spent on eligible exploration expenditures and the flow through premium was recognized in other income.

- The Company closed a non-brokered private placement of 1,670,000 flow-through units at a price of \$0.18 per unit for gross proceeds of \$300,600. A flow-through premium liability of \$108,550 was allocated to the flow-through obligation of this private placement, and the remainder of proceeds were allocated to share capital. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of \$0.25 per common share to April 15, 2024. The Company paid
- cash fees of \$18,036 and share issue costs of \$47,808 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost.

During the year ended March 31, 2023, all of the flow through funds were spent on eligible exploration expenditures and the flow through premium was recognized in other income.

Stock options

The Company has an incentive stock option plan, which provides that the Board of Directors of the Company may from time-to-time, at its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. Vesting of stock options is at the discretion of the Board of Directors. Stock options are exercisable for a maximum of 10 years, and the exercise price of the stock options is set in accordance with the policies of the TSX-V.

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (cont'd...)

As at September 30, 2023, the Company had stock options outstanding enabling the holder to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date	Options Exercisable	Weighted Average Life Remaining
1,540,000	\$0.30	March 21, 2027	1,540,000	3.47
250,000	\$0.30	May 16, 2027	250,000	3.63
1,200,000	\$0.30	April 13, 2028	1,200,000	4.54
200,000	\$0.35	July 6, 2028	200,000	4.77
775,000	\$0.28	August 14, 2029	775,000	5.88
750,000	\$0.28	June 10, 2025	750,000	1.70
150,000	\$0.30	August 27, 2025	150,000	1.91
1,215,000	\$0.45	July 14, 2026	1,215,000	2.79
1,325,000	\$0.16	September 23, 2027	1,325,000	3.99
1,825,000	\$0.19	May 11, 2028	1,825,000	4.62
9,230,000			9,230,000	3.89

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
As at March 31, 2022	7,485,000	\$ 0.32
Granted	1,325,000	0.16
Expired	(375,000)	0.30
As at March 31, 2023	8,435,000	0.30
Granted	1,825,000	0.19
Expired	(1,030,000)	0.22
September 30, 2023	9,230,000	\$ 0.28

During the period ended September 30, 2023, the Company recognized share-based payments expense of \$239,221 (2022 - \$136,211) in connection with the vesting of stock options granted.

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of stock options granted:

	September 30, 2023	March 31, 2023
Risk-free interest rate	2.94%	3.40%
Expected life of options	5	5
Annualized volatility	86%	87%
Share price	\$ 0.19	\$ 0.15
Dividend rate	0%	0%
Weighted average fair value per option granted	\$ 0.13	\$ 0.10

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (cont'd...)**Warrants**

The following common share purchase warrants entitle the holders thereof to purchase one common share for each warrant. Warrants transactions are as follows:

	Number of Warrants	Weighted Average Exercise Price
As at March 31, 2022	3,522,049	\$ 0.47
Warrants expired	(3,364,155)	\$ 0.47
Warrants issued in private placement	6,734,458	\$ 0.25
As at March 31, 2023	6,892,352	\$ 0.26
Warrants expired	(157,894)	\$ 0.50
Warrants exercised	(50,000)	\$ 0.25
Warrants issued in private placement	9,583,860	\$ 0.24
As at September 30, 2023	16,268,318	\$ 0.24

The weighted average remaining contractual life of warrants outstanding at September 30, 2023, was 1.53 (September 30, 2022 – 1.28 years).

Warrants outstanding are as follows:

Number of Warrants	Exercise Price	Expiry Date
3,221,875	\$0.25	February 29, 2024
2,627,583	\$0.25	March 23, 2024
835,000	\$0.25	April 15, 2024
5,500,625	\$0.23	October 19, 2025
635,372	\$0.23	November 9, 2025
3,447,863	\$0.25	June 7, 2026
16,268,318		

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended September 30, 2023, consisted of the following:

- Recorded a flow-through premium of \$239,138.
- Accrued \$4,480 of exploration and evaluation assets in accounts payable and accrued liabilities.
- Issued warrants with a fair value of \$43,007 determined using the residual value method.
- Recorded an impairment of \$4,091,624 on exploration and evaluation assets.

Significant non-cash transactions during the period ended September 30, 2022, consisted of the following:

- Recorded a flow-through premium of \$101,450.

11. RELATED PARTY TRANSACTIONS

Key management personnel include those people who have authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the periods ended September 30, were:

VR RESOURCES LTD.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

September 30, 2023

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS (cont'd)

	2023	2022
Short-term benefits paid or accrued:		
Consulting fees	\$ 15,000	\$ 12,000
Salaries	190,000	108,000
	<u>205,000</u>	<u>120,500</u>
Share-based payments:		
Share-based payments	<u>190,066</u>	<u>123,360</u>
Total remuneration	<u>\$ 395,066</u>	<u>\$ 243,860</u>

Included in accounts payable and accrued liabilities as at September 30, 2023 was \$26 (March 31, 2023 – \$17,974) owed to an officer of the Company.

12. SEGMENTED INFORMATION

The Company operates in one reportable segment being the acquisition and exploration of exploration and evaluation assets. Geographical information of the Company's non-current assets is as follows:

	September 30, 2023	March 31, 2023
Equipment - Canada	\$ 1,347	\$ 1,585
Exploration and evaluation assets - Canada	\$ 6,158,364	\$ 4,540,270
Exploration and evaluation assets - USA	\$ 1,643,896	\$ 5,773,487
Reclamation bond - USA	\$ 80,689	\$ 80,766

13. CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to support the acquisition, exploration and development of 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 stage as such the Company has historically relied on equity financing to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient 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. The Company is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the period.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or 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

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

The fair value of cash and cash equivalents is measured at Level 1 of the fair value hierarchy. The carrying value of receivables and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and cash equivalents and receivables. Management believes that the credit risk concentration with respect to receivables is remote as they are due from the Government of Canada. The Company's cash and cash equivalents are deposited in accounts held at a large financial institution in Canada. As such, the Company believes the credit risk with cash and cash equivalents is remote. Receivables comprise input tax receivables due from the Government of Canada. The Company considers the credit risk of receivables to be low.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of September 30, 2023, the Company had a cash balance of \$1,346,484 to settle current liabilities of \$40,045. All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company has sufficient funds on hand to meet the corporate obligations of its regular course of business through calendar-year 2024. The Company may raise additional funds via a equity financing to fund new exploration programs on any of its various mineral properties.

Interest rate risk

The Company has cash and cash equivalents balances and no interest-bearing debt. The Company's cash is held in accounts with floating interest rates. The Company is significantly exposed to interest rate risk.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to assets and liabilities that are denominated in USD. Amounts exposed to foreign currency risk include cash of US\$4,831 as of September 30, 2023 (Note 3). A 10% fluctuation in the USD against the CAD would result in an approximate \$525 change in profit or loss for the period.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss and the ability to obtain financing, due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

VR RESOURCES LTD.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

September 30, 2023

(Expressed in Canadian Dollars)
