

**BULGOLD INC.**

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

**For the three months ended March 31, 2024**

In Canadian dollars

**(UNAUDITED)**

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**Notice to Reader**

The accompanying unaudited condensed interim consolidated financial statements of BULGOLD Inc. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements.

**BULGOLD INC.**  
**Condensed Interim Consolidated Statements of Financial Position**

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| <i>(in Canadian dollars)</i>               | <b>March 31, 2024</b>  | <b>December 31, 2023</b> |
|--|------------------------|--------------------------|
|  | <b>\$</b>              | <b>\$</b>                |
| <b>ASSETS</b>                              |                        |                          |
| Current                                    |                        |                          |
| Cash and cash equivalents (Note 3)         | 1,678,657              | 2,015,716                |
| Sales taxes receivable                     | 39,893                 | 45,114                   |
| Other receivables                          | 39,300                 | 13,554                   |
| Prepays and deposits                       | 18,642                 | 27,812                   |
|  | <hr/>                  | <hr/>                    |
|  | 1,776,492              | 2,102,196                |
| Non-current                                |                        |                          |
| Property and equipment                     | 20,629                 | 23,645                   |
| Exploration and evaluation assets (Note 4) | 1,251,636              | 1,145,579                |
|  | <hr/>                  | <hr/>                    |
|  | 1,272,266              | 1,169,224                |
| <b>TOTAL ASSETS</b>                        | <hr/> <b>3,048,758</b> | <hr/> <b>3,271,420</b>   |
| <b>LIABILITIES</b>                         |                        |                          |
| Current                                    |                        |                          |
| Accounts payable and accrued liabilities   | 198,062                | 211,583                  |
| Due to related parties (Note 9)            | 404,025                | 403,757                  |
|  | <hr/>                  | <hr/>                    |
|  | 602,086                | 615,341                  |
| Non-current                                |                        |                          |
| Provision for land restoration (Note 5)    | 6,104                  | 6,115                    |
|  | <hr/>                  | <hr/>                    |
|  | 6,104                  | 6,115                    |
| <b>TOTAL LIABILITIES</b>                   | <hr/> <b>608,190</b>   | <hr/> <b>621,456</b>     |
| <b>EQUITY (DEFICIENCY)</b>                 |                        |                          |
| Share capital (Note 6)                     | 4,228,601              | 4,230,654                |
| Contributed surplus                        | 889,808                | 848,299                  |
| Deficit                                    | (2,678,960)            | (2,433,135)              |
| Cumulative translation adjustment          | 1,119                  | 4,146                    |
| <b>TOTAL EQUITY</b>                        | <hr/> <b>2,440,567</b> | <hr/> <b>2,649,964</b>   |
| <b>TOTAL LIABILITIES AND EQUITY</b>        | <hr/> <b>3,048,758</b> | <hr/> <b>3,271,420</b>   |

Nature of operations, business combination and liquidity risk (Note 1)

*The accompanying notes form an integral part of these consolidated financial statements.*

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On behalf of the Board,

/s/ Sean Hasson

Sean Hasson, Director

/s/ Vanessa Cook

Vanessa Cook, Director

**BULGOLD INC.****Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss**

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|   | <b>3 Months ending March 31</b> |                |
|---|---------------------------------|----------------|
| <i>(in Canadian dollars)</i>                        | <b>2024</b>                     | <b>2023</b>    |
|   | \$                              | \$             |
| <b>Expenses and other items</b>                     |                                 |                |
| Share-based compensation (note 7)                   | 41,509                          | -              |
| Salaries and benefits                               | 89,207                          | -              |
| Professional and contractor fees                    | 92,945                          | 64,134         |
| Registration and shareholder information            | 13,867                          | -              |
| Travel and representation                           | 9,355                           | 1,132          |
| Other operating expenses                            | 15,849                          | 446            |
| Depreciation  | 476                             | 51             |
| Cost of Listing                                     | -                               | 734,269        |
| <b>Operating Loss</b>                               | <b>263,208</b>                  | <b>800,032</b> |
| Net Finance Expense (Income)                        | (17,602)                        | 2,676          |
| <b>Net loss</b>                                     | <b>245,606</b>                  | <b>802,707</b> |
| Other comprehensive loss                            |                                 |                |
| Item not subsequently reclassified to income        |                                 |                |
| Foreign currency translation adjustment             | (6,628)                         | 1,293          |
| <b>Net loss and comprehensive loss</b>              | <b>238,978</b>                  | <b>804,001</b> |
| Basic and diluted loss per share                    | 0.01                            | 0.06           |
| Weighted average number of shares basic and diluted | 27,597,928                      | 12,529,764     |

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

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**BULGOLD INC.**
**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity.**

|                                     | Number of<br>issued and<br>outstanding<br>common<br>shares | Share Capital<br>\$ | Contributed<br>Surplus<br>\$ | Deficit<br>\$      | Cumulative<br>Translation<br>Adjustment<br>\$ | Total<br>Equity<br>(Deficiency)<br>\$ |
|-------------------------------------|--|---------------------|------------------------------|--------------------|---|---------------------------------------|
| <b>Balance at December 31, 2023</b> | <b>27,597,928</b>  | <b>4,230,654</b>    | <b>848,299</b>               | <b>(2,433,135)</b> | <b>4,146</b>                                  | <b>2,649,964</b>                      |
| Share Based Compensation            |  |                     | 41,509                       |                    |   | 41,509                                |
| Net loss for the period             |  |                     |                              | (245,606)          |   | (245,606)                             |
| Translation adjustment              |  |                     |                              |                    | (5,299)                                       | (5,299)                               |
| <b>Balance at March 31, 2024</b>    | <b>27,597,928</b>  | <b>4,230,654</b>    | <b>889,808</b>               | <b>(2,678,742)</b> | <b>(1,153)</b>                                | <b>2,440,567</b>                      |

*(in Canadian dollars)*

|                                     | Number of<br>issued and<br>outstanding<br>common<br>shares | Share Capital<br>\$ | Contributed<br>Surplus<br>\$ | Deficit<br>\$      | Cumulative<br>Translation<br>Adjustment<br>\$ | Total<br>Equity<br>(Deficiency)<br>\$ |
|-------------------------------------|--|---------------------|------------------------------|--------------------|---|---------------------------------------|
| <b>Balance at December 31, 2022</b> | <b>9,120,000</b>   | <b>484,475</b>      | <b>-</b>                     | <b>(561,338)</b>   | <b>5,509</b>                                  | <b>(71,354)</b>                       |
| Acquisition of Mineral Properties   | 11,111,097   | 2,188,800           | 171,156                      | -                  | -   | 2,359,956                             |
| Private Placements                  | 7,366,831  | 1,763,955           | 446,094                      | -                  | -   | 2,210,049                             |
| Issuance Costs                      | -  | (206,576)           | 43,181                       | -                  | -   | (163,395)                             |
| Share Based Compensation            |  |                     | 187,868                      |                    |   | 187,868                               |
| Net loss for the year               | -  | -                   | -                            | (1,871,798)        | -   | (1,871,798)                           |
| Translation adjustment              | -  | -                   | -                            | -                  | (1,363)                                       | 1,363                                 |
| <b>Balance at December 31, 2023</b> | <b>27,597,928</b>  | <b>4,230,654</b>    | <b>848,299</b>               | <b>(2,433,135)</b> | <b>4,146</b>                                  | <b>2,649,964</b>                      |

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

**BULGOLD INC.**  
**Condensed Interim Consolidated Statements of Cash Flows.**

|   | <b>3months ended March 31,</b> |                  |
|---|--------------------------------|------------------|
| <i>(in Canadian dollars)</i>  | <b>2024</b>                    | <b>2023</b>      |
|   | \$                             | \$               |
| <b>Operating Activities</b>   |                                |                  |
| Net Loss  | (245,606)                      | (802,707)        |
| Adjustments for Non-Cash Items  |                                |                  |
| Share-based compensation  | 41,509                         | -                |
| Depreciation  | 476                            | 51               |
| Cost of Listing   | -                              | 734,269          |
| Finance expense on shareholder loans (note 12)                                | -                              | 2,951            |
| Adjustments for other Working Capital Items                                   |                                |                  |
| Increase (Decrease) in Sales Tax Receivable                                   | 5,221                          | (13,682)         |
| (Decrease) Increase in Accounts Receivable                                    | (25,746)                       | 1,639            |
| Increase (Decrease) in Prepaid Expenses                                       | 9,170                          | (25,940)         |
| (Decrease) in Accounts Payable  | (13,265)                       | (74,766)         |
| <b>Cash flow from Operating Activities</b>                                    | <b>(228,242)</b>               | <b>(178,185)</b> |
| <b>Investing Activities</b>   |                                |                  |
| Cash acquired on acquisition of mineral projects in Bulgaria                  | -                              | 1,781,069        |
| Additions to Exploration and evaluation assets (note 4)                       | (106,057)                      | -                |
| Acquisition of Property and equipment   | -                              | (360)            |
| Add: Capitalized Depreciation   | 3,016                          |                  |
| <b>Cash flow from Investing Activities</b>                                    | <b>(103,042)</b>               | <b>1,780,709</b> |
| <b>Net (Decrease) increase in Cash and Cash Equivalents</b>                   | <b>(337,059)</b>               | <b>1,603,426</b> |
| Effect of exchange rate fluctuation on cash                                   | (5775)                         | 902              |
| Opening Cash and Cash Equivalents   | 2,015,716                      | 80,924           |
| <b>Closing Cash and Cash Equivalents</b>                                      | <b>1,678,657</b>               | <b>1,684,350</b> |
| <b>Supplemental Information</b>   |                                |                  |
| Addition of non-cash current assets on reverse acquisition                    | -                              | 1,504            |
| Addition of property and equipment on reverse acquisition                     | -                              | 2,907            |
| Assumption of accounts payable and accrued liabilities on reverse acquisition | -                              | (159,793)        |

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

**1. NATURE OF OPERATIONS, BUSINESS COMBINATION AND LIQUIDITY RISK**

BULGOLD Inc. (the “Company” or “BULGOLD” or the “Resulting Issuer”) was incorporated on July 16, 2021, under the Ontario *Business Corporations Act* and was classified as a Capital Pool Company (“CPC”), as such term is defined in the TSX Venture Exchange (the “TSXV”) Policy 2.4 – Capital Pool Companies (“CPC Policy 2.4”). The Company’s common shares are listed on the TSX Venture Exchange (“TSXV”).

On May 5, 2023, the Company changed its name to BULGOLD Inc. and consolidated its issued and outstanding common shares on the basis of one (1) post-consolidation common share for every three pre-consolidation common shares of the Company (Note 9), following approval by the Company’s shareholders at a special meeting of the shareholders held on April 26, 2023. On May 5, 2023, the Company began trading on the TSXV under the new symbol “ZLTO” (was previously “SCRS”).

On March 17, 2023, the Company completed a business combination with Eastern Resources, which constituted the Company’s Qualifying Transaction. For accounting purposes, it has been determined that BULGOLD was the accounting acquiree and Eastern Resources was the accounting acquiror since the former shareholders of Eastern Resources now control BULGOLD. These unaudited condensed interim consolidated financial statements are prepared as a continuation of the financial statements of Eastern Resources but reflecting the equity instruments of BULGOLD.

**Liquidity risk**

These unaudited condensed interim consolidated financial statements were prepared on a going-concern basis of accounting, which assumes that the Company will continue operations for the foreseeable future and will be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. The Company believes that its working capital of \$1,172,352 at March 31, 2024 will provide the Company with sufficient cash resources to meet its obligations for at least twelve months from the end of the reporting period. In assessing whether the going concern assumption is appropriate, management takes into account all available information about its future. As the Company has no revenues, its ability to pursue the exploration of its projects in the future is dependent on its ability to periodically raise additional financing, through the issuance of equity, debt financing or other means. There is no assurance that the Company will be able to do so in the future or that these sources of funding or initiatives will be available to the Company or that they will be available on terms which are acceptable for the Company.

## 2. BASIS OF PRESENTATION

### Statement of compliance

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and are presented in Canadian dollars. They do not include all the information required in annual financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”).

The Board of Directors approved these unaudited condensed interim consolidated financial statements on May 23, 2024.

### Basis of measurement

These unaudited condensed interim consolidated financial statements were prepared on a historical cost basis and on an accrual basis.

## 3. CASH AND CASH EQUIVALENTS

As at, March 31, 2024, cash and cash equivalents of \$1,678,657 includes \$1,350,000 of guaranteed investment certificates (GICs). One 60-day GIC for \$650,000 is due May 28, 2024, at a rate of 5.25% and a 60-day GIC for \$700,000 is due April 27, 2024 at a rate of 5.34%.

As at, March 31, 2024, cash and cash equivalents includes an amount of \$44,788 held in a bank account in favor of the Ministry of Energy of Bulgaria to cover requirements for future environmental rehabilitation work and / or if the Company fails to complete the previously agreed work programs.

## 4. EXPLORATION AND EVALUATION ASSETS

Amounts invested in exploration and evaluation assets not subject to depreciation and amortization are as follows:

| <b>Exploration and Evaluation Assets</b> | <b>Chukata</b> | <b>Kutel</b> | <b>Lutila</b> | <b>Total</b> |
|--|----------------|--------------|---------------|--------------|
| Balance at December 31, 2023             | 631,757        | 513,822      | -             | 1,145,579    |
| Investment Additions                     | 40,566         | 10,839       | 56,795        | 108,201      |
| FX Difference                            | (1,182)        | (961)        | -             | (2,143)      |
| Balance on March 31, 2024                | 671,141        | 523,700      | 56,795        | 1,251,636    |

The company has two exploration licences in Bulgaria (Chukata and Kutel) and one exploration license in Slovakia (Lutila).

An annex to the current Kutel Exploration Licence, in Bulgaria, was concluded with the Ministry of Energy (MoE) on January 4, 2024. The MoE and the Ministry of Environment and Waters (MoEW) are currently reviewing the Company's submitted two-year work program. Once the MoE approves the work program, then the MoEW needs to provide final approval which then becomes the 'effective date' for the Kutel Exploration Licence and allows for two further years of exploration.

## **5. PROVISION FOR LAND RESTORATION**

According to the contracts for prospecting and exploration of metallic minerals, concluded with the Ministry of Energy of Bulgaria, the Company has commitments for future environmental rehabilitation and restoration costs for its two exploration areas (Kostilkovo and Kutel), amounting to \$6,104 (\$6,115 at December 31, 2023).

## **6. SHARE CAPITAL**

### Authorized and issued

An unlimited number of common shares with no par value.

As at March 31, 2024, the Company has 27,597,928 issued and outstanding shares (27,597,928 on December 31, 2023).

### Share Purchase (Subscriber) Warrants

As at December 31, 2023, and March 31, 2024, the Company has 3,683,413 half warrants, related to the 2023 Private Placement, which expire on December 23, 2024. Each full warrant entitles the subscriber (holder) to purchase one common share at \$0.40.

### Compensation Options (Broker Warrants)

As at December 31, 2023 and March 31, 2024 the Company had 666,666 outstanding compensation options (Broker Warrants) issued on April 26, 2022, at an exercise price of \$0.30, expiring on April 26, 2027, which as of March 31, 2024 have a remaining life of 3.1 years and 281,759 Broker warrants, related to the 2023 Private Placement, at an exercise price of \$0.40, expiring on December 23, 2024, which as of March 31, 2024 have a remaining life of 0.75 years.

### Shares subject to escrow

As of March 31, 2024, 6,962,533 shares were held in escrow. 613,333 CPC Seed Shares were in escrow while the balance of shares in escrow (7,619,040) relate to the Qualifying Transaction.



**BULGOLD INC.****Notes to Condensed Interim Consolidated Financial Statements****Three months ended March 31, 2024** (unaudited, in Canadian dollars)

Shares issued to the CPC shareholders (1,840,000 seed shares) are subject to escrow pursuant to the terms of Escrow Agreements dated February 11, 2022 (seed shares) between the Company, TSX Trust Company, and the holders of the seed shares. In accordance with the CPC Policy 2.4, 25% of these securities were released on the date of the final Qualifying Transaction Exchange bulletin and an additional 25% are to be released on each of the dates that are 6, 12 and 18 months from the Transaction date of March 17, 2023. As of March 31, 2024, 613,333 shares were still in escrow.

Shares issued to the President and CEO of BULGOLD resulting from the completion of the Transaction (3,174,600 common shares) are subject to escrow with 5% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months. As of March 31, 2024, 2,539,680 shares were still in escrow.

Shares issued to non-principal security holders resulting from the completion of the Transaction (6,349,200 common shares) are also being held in escrow with 10% of these shares released on completion of the Transaction and the remainder to be released over a period of 36 months. As of March 31, 2024, 3,809,520 shares were still in escrow.

| Escrow Shares                  | CPC Seed Shares | Seefin QT Shares | BMD QT Shares | GEOPS QT Shares | Total Shares |
|--------------------------------|-----------------|------------------|---------------|-----------------|--------------|
| Issued                         | 2,453,333       | 3,174,600        | 3,174,600     | 3,174,600       | 11,977,133   |
| Released on March 17, 2023     | 613,333         | 158,730          | 317,460       | 317,460         | 1,406,983    |
| Released on September 17, 2023 | 613,333         | 158,730          | 476,190       | 476,190         | 1,724,443    |
| Released March 17, 2024        | 613,333         | 317,460          | 476,190       | 476,190         | 1,883,173    |
| In Escrow as at March 31, 2024 | 613,333         | 2,539,680        | 1,904,760     | 1,904,760       | 6,962,533    |

**7. STOCK OPTIONS**Total stock options

On December 31, 2023, the company had 2,752,000 issued and outstanding stock options. On March 17, 2024, 684,000 stock options (CPC options granted to former St. Charles management and directors who are no longer active with BULGOLD Inc.) expired. On March 31, 2024, the company had 2,068,000 issued and outstanding stock options.

The following table reflects the stock options issued and outstanding on March 31, 2024:

| Stock Options Issued and Outstanding as at March 31, 2024 | Number of Stock Options | Option Exercise Price \$ | Remaining Contractual Life in Years | Number of Exercisable Stock Options | Exercise Price of Exercisable Stock Options |
|---|-------------------------|--------------------------|-------------------------------------|-------------------------------------|---|
| Issued on April 26, 2022                                  | 228,000                 | \$0.30                   | 3.1                                 | 228,000                             | \$0.30                                      |
| Issued on July 20, 2023                                   | 1,840,000               | \$0.30                   | 4.3                                 | 613,333                             | \$0.30                                      |
| <b>Total Options</b>                                      | <b>2,068,000</b>        | <b>\$0.30</b>            | <b>4.2</b>                          | <b>841,333</b>                      | <b>\$0.30</b>                               |

**8. LOSS PER SHARE**

The net loss per common share was based on the loss attributable to common shareholders and the weighted average number of shares outstanding, excluding shares held in escrow in accordance with TSXV requirements. The weighted average number of shares outstanding for the three-months ending March 31, 2024, and 2023 was 27,597,928 and 12,529,764, respectively. The loss per share for the three-months ending March 31, 2024, and 2023 was \$0.01 and \$0.06, respectively.

**9. RELATED PARTY TRANSACTIONS**

On March 31, 2024, the company had an amount of \$404,025 (\$403,757 on December 31, 2023) related to drilling services owed to GEOPS-Bolkan Drilling Services, a shareholder of BULGOLD.

**10. SEGMENTED INFORMATION**

The Company presents and discloses segmented information based on information that is regularly reviewed by the chief executive officer. The Company has determined that there is only one operating segment consisting of acquiring, exploring and evaluating mining property assets. The Company's assets are located in Canada, Bulgaria and Slovakia. Assets are located as follows:

| <b>Segmented Information – March 31, 2024</b> | <b>Canada</b>    | <b>Bulgaria</b>  | <b>Slovakia</b> | <b>Total</b>     |
|---|------------------|------------------|-----------------|------------------|
| Current assets                                | 1,440,329        | 260,149          | 76,014          | 1,776,492        |
| Property and equipment                        | 951              | 19,678           | -               | 20,629           |
| Exploration and evaluation assets             | -                | 1,194,841        | 56,795          | 1,251,636        |
| <b>Total assets</b>                           | <b>1,441,280</b> | <b>1,474,668</b> | <b>132,809</b>  | <b>3,048,758</b> |

| <b>Segmented Information – December 31, 2023</b> | <b>Canada</b>    | <b>Bulgaria</b>  | <b>Slovakia</b> | <b>Total</b>     |
|--|------------------|------------------|-----------------|------------------|
| Current assets                                   | 1,712,352        | 326,631          | 63,212          | 2,102,196        |
| Property and equipment                           | 1,427            | 22,218           | -               | 23,645           |
| Exploration and evaluation assets                | -                | 1,145,579        | -               | 1,145,579        |
| <b>Total assets</b>                              | <b>1,713,779</b> | <b>1,494,428</b> | <b>63,212</b>   | <b>3,271,420</b> |