

**BULGOLD INC.**

**CONDENSED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

**For the three and six months ended June 30, 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**

(in Canadian dollars)

	June 30, 2024 (unaudited) \$	December 31, 2023 (audited) \$
<b>ASSETS</b>		
Current		
Cash and cash equivalents (Note 3)	1,401,853	2,015,716
Sales taxes receivable	17,847	45,114
Other receivables	6,723	13,554
Prepays and deposits	31,285	27,812
	<u>1,457,708</u>	<u>2,102,196</u>
Non-current		
Property and equipment	18,398	23,645
Exploration and evaluation assets (Note 4)	1,492,017	1,145,579
	<u>1,510,416</u>	<u>1,169,224</u>
<b>TOTAL ASSETS</b>	<b><u>2,968,124</u></b>	<b><u>3,271,420</u></b>
<b>LIABILITIES</b>		
Current		
Accounts payable and accrued liabilities	196,974	211,583
Due to related parties (Note 9)	405,215	403,757
	<u>602,189</u>	<u>615,341</u>
Non-current		
Provision for land restoration (Note 5)	6,122	6,115
	<u>6,122</u>	<u>6,115</u>
<b>TOTAL LIABILITIES</b>	<b><u>608,311</u></b>	<b><u>621,456</u></b>
<b>EQUITY (DEFICIENCY)</b>		
Share capital (Note 6)	4,230,654	4,230,654
Contributed surplus	942,619	848,299
Deficit	(2,814,410)	(2,433,135)
Cumulative translation adjustment	950	4,146
<b>TOTAL EQUITY</b>	<b><u>2,359,813</u></b>	<b><u>2,649,964</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>2,968,124</u></b>	<b><u>3,271,420</u></b>

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

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

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**

	<b>3 Months Ending June 30</b>		<b>6 Months Ending June 30</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<i>(unaudited, in Canadian dollars)</i>	\$	\$	\$	\$
<b>Expenses and other items</b>				
Share-based compensation (note 7)	52,811	-	94,320	-
Salaries and benefits	35,580	-	124,787	-
Professional and contractor fees	39,662	213,582	132,607	277,716
Registration and shareholder information	9,101	-	22,968	-
Travel and representation	7,047	26,136	16,402	27,268
Other operating expenses	6,576	118,149	22,425	118,595
Depreciation	476	478	952	529
Cost of Listing	-	-	-	734,269
<b>Operating Loss</b>	<b>151,253</b>	<b>358,344</b>	<b>414,460</b>	<b>1,158,376</b>
Net Finance Expense (Income)	(15,584)	25,606	(33,185)	28,281
<b>Net loss for the period</b>	<b>135,669</b>	<b>383,950</b>	<b>381,275</b>	<b>1,186,657</b>
Item that will not be subsequently reclassified to income				
Foreign currency translation adjustment	(26)	(5,037)	(6,653)	(3,743)
<b>Net loss and comprehensive loss for the period</b>	<b>135,643</b>	<b>378,913</b>	<b>374,622</b>	<b>1,182,914</b>
Basic and diluted loss per share (Note 8)	\$0.00	\$0.02	\$0.01	\$0.07
Weighted average number of shares basic and diluted (Note 8)	27,597,928	20,474,320	27,597,928	16,523,988

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

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

	Number of issued and outstanding common shares	Share Capital \$	Contributed Surplus \$	Deficit \$	Cumulative Translation Adjustment \$	Total Equity (Deficiency) \$
<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			94,320			94,320
Net loss for the period				(381,275)		(381,275)
Translation adjustment					(3,196)	(3,196)
<b>Balance at June 30, 2024</b>	<b>27,597,928</b>	<b>4,230,654</b>	<b>942,619</b>	<b>(2,814,410)</b>	<b>950</b>	<b>2,359,813</b>

<i>(in Canadian dollars)</i>	Number of issued and outstanding common shares	Share Capital \$	Contributed Surplus \$	Deficit \$	Cumulative Translation Adjustment \$	Total Equity (Deficiency) \$
<b>Balance at December 31, 2022</b>	<b>9,120,000</b>	<b>484,475</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>3 Months Ending June 30</b>		<b>6 Months Ending June 30</b>	
<i>(unaudited, in Canadian dollars)</i>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	\$	\$	\$	\$
<b>Operating Activities</b>				
Net Loss	(135,669)	(383,950)	(381,275)	(1,186,657)
Depreciation	476	478	952	529
Share-based compensation	52,811	-	94,320	-
Finance expense on shareholder loans	-	19,705	-	22,656
Decrease (Increase) in Sales Tax Receivable	22,046	(6,459)	27,267	(20,141)
Decrease in Accounts Receivable	32,577	3,039	6,831	4,678
Decrease (Increase) in Prepaid Expenses	(12,643)	7,777	(3,473)	(18,163)
Increase (Decrease) in Accounts Payable	121	52,504	(13,145)	(22,262)
Cost of Listing (Note 5)	-	-	-	734,269
<b>Cash (used in) Operating Activities</b>	<b>(40,281)</b>	<b>(306,905)</b>	<b>(268,523)</b>	<b>(485,091)</b>
<b>Investing Activities</b>				
Cash acquired on reverse acquisition	-	-	-	1,781,069
Additions to Exploration and evaluation assets (note 4)	(240,381)	(125,341)	(346,438)	(125,341)
Capitalized depreciation	2,231	(10,398)	5,247	(10,758)
<b>Cash Provided by (used in) Investing Activities</b>	<b>(238,150)</b>	<b>(135,739)</b>	<b>(341,191)</b>	<b>1,644,970</b>
<b>Financing Activities</b>				
Issuance of Shares	-	1,659,999	-	1,659,999
Issuance Costs	-	(104,223)	-	(104,223)
Payment of Shareholder Loans (note 9)	-	(110,407)	-	(110,407)
<b>Cash Provided by Financing Activities</b>	<b>-</b>	<b>1,445,369</b>	<b>-</b>	<b>1,445,369</b>
Gain (Loss) from conversion to Reporting Currency	1,627	(19,814)	(4,148)	(18,912)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>(276,804)</b>	<b>982,911</b>	<b>(613,863)</b>	<b>2,586,336</b>
Cash and Cash Equivalents, beginning of period	1,678,657	1,684,350	2,015,716	80,924
<b>Cash and Cash Equivalents, end of period</b>	<b>1,401,853</b>	<b>2,667,261</b>	<b>1,401,853</b>	<b>2,667,261</b>
<b>Supplemental Information</b>				
Addition of non-cash current assets on reverse acquisition	-	1,504	-	1,504
Addition of property and equipment on reverse acquisition	-	2,907	-	2,907
Assumption of accounts payable and accrued liabilities on reverse acquisition	-	(159,793)	-	(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, 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. 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 August 22, 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 June 30, 2024, cash and cash equivalents of \$1,401,853 includes \$1,050,000 of guaranteed investment certificates (GICs). One 60-day GIC for \$550,000 is due August 26, 2024, at a rate of 4.85% and a 60-day GIC for \$500,000 is due July 27, 2024, at a rate of 5.06%.

As at June 30, 2024, cash and cash equivalents includes an amount of \$44,920 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:

Exploration and Evaluation Assets	Chukata	Kutel	Lutila	Total
Balance at December 31, 2023	631,757	513,822	-	1,145,579
Investment Additions	93,232	14,467	237,514	345,214
FX Difference	675	549	0	1,225
Balance on June 30, 2024	725,665	528,838	237,514	1,492,017

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 \$6,122 (\$6,115 at December 31, 2023).

## **6. SHARE CAPITAL**

### Authorized and issued

An unlimited number of common shares with no par value.

As at June 30, 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 June 30, 2024, the Company has 3,683,413 half warrants, related to the 2023 Private Placement, which expire on December 23, 2024. Each full warrant (1,841,707) entitles the subscriber (holder) to purchase one common share at \$0.40.

### Compensation Options (Broker Warrants)

As at December 31, 2023 and June 30, 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 June 30, 2024 have a remaining life of 2.8 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 June 30, 2024 have a remaining life of 0.5 years.

### Shares subject to escrow

As of June 30, 2024, 6,962,533 shares were held in escrow. 613,333 CPC Seed Shares were in escrow while the balance of shares in escrow (6,349,200) relate to the Qualifying Transaction.

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% were released on each of September 17, 2023 and March 17, 2024. As of June 30, 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 June 30, 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 June 30, 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 June 30, 2024	613,333	2,539,680	1,904,760	1,904,760	6,962,533

## 7. 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 expired unexercised. On March 31, 2024, the company had 2,068,000 issued and outstanding stock options. On May 27, 2024, the company issued a further 660,000 stock option; therefore, on June 30, 2024, the total issued and outstanding stock options was 2,728,000. For the stock options issued on May 27, 2024, the Black Scholes model was used for determining the value of \$28,535. The assumptions used include: 5 Year life of options, Vesting over a 2 year period (1/3 upon on May 27, 2024, and 1/3 on the same day in 2025 and 2026, volatility rate of 77.8% and an interest (bond) rate of 3.81%.

Stock Options Issued and Outstanding December 31, 2023 to June 30, 2024	Number of Stock Options	Option Exercise Price \$	Remaining Contractual Life in Years	Number of Exercisable Stock Options	Exercise Price of Exercisable Stock Options
Balance on December 31, 2023	2,752,000	\$0.30		1,525,333	\$0.30
Expired on March 17, 2024	(684,000)	\$0.30		(684,000)	\$0.30
Issued on May 27, 2024	660,000	\$0.30		220,000	\$0.30
Balance on June 30, 2024	<b>2,728,000</b>	<b>\$0.30</b>	<b>4.2</b>	<b>1,061,333</b>	<b>\$0.30</b>

The following table reflects the stock options issued and outstanding on June 30, 2024:

Stock Options Issued and Outstanding as at June 30, 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	2.8	228,000	\$0.30
Issued on July 20, 2023	1,840,000	\$0.30	4.1	613,333	\$0.30
Issued on May 27, 2024	660,000	\$0.30	4.9	220,000	\$0.30
<b>Total Options</b>	<b>2,728,000</b>	<b>\$0.30</b>	<b>4.2</b>	<b>1,061,333</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 June 30, 2024, and 2023 was 27,597,928 and 20,474,320, respectively. The loss per share for the three-months ending June 30, 2024, and 2023 was \$0.00 and \$0.02, respectively. For the 6 months ended June 30, the weighted average number of shares outstanding was 27,597,928 for 2024 (loss of \$0.01 per share) and 16,523,988 (loss of \$0.07 per share) for 2023.

**9. RELATED PARTY TRANSACTIONS**

On June 30, 2024, the company had an amount of \$405,215 (\$403,757 on December 31, 2023) owed to GEOPS-Bolkan Drilling Services, a shareholder of BULGOLD. In 2022 the Company entered into a loan agreement with Dundee Resources Limited; the loan and applicable interest April 7, 2023.

**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 – June 30, 2024</b>	<b>Canada</b>	<b>Bulgaria</b>	<b>Slovakia</b>	<b>Total</b>
Current assets	1,225,488	100,336	131,884	1,457,708
Property and equipment	476	17,923	-	18,398
Exploration and evaluation assets	-	1,254,503	237,514	1,492,017
<b>Total assets</b>	<b>1,225,964</b>	<b>1,372,761</b>	<b>369,398</b>	<b>2,968,124</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>