BARRANCO GOLD MINING CORP.

Financial Statements

For the years ended March 31, 2022 and 2021

(Expressed in Canadian dollars)

Notice to Reader
(unaudited)

Stone Consulting (2012) Ltd.

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NOTICE TO READER

On the basis of information provided by management we have compiled the statement of financial position of Barranco Gold Mining Corp. as at March 31, 2022 and 2021 and the statements of loss and comprehensive loss, statement of change in shareholders' equity and statement of cash flows for the years then ended. We have not performed an audit or a review or a review engagement in respect of these financial statements and accordingly, we express no assurance thereon.

Readers are cautioned that the financial information may not be appropriate for their purposes.

Stone Consulting (2012) Ltd
Accountants

Burnaby, BC
January 10, 2023

BARRANCO GOLD MINING CORP.
(an exploration stage enterprise)
Statement of Financial Position
For the years ended March 31, 2022 and 2021
(Unaudited - Expressed in Canadian dollars)

	March 31, 2022 $	March 31, 2021 $
Assets		
Current		
Cash & cash equivalents	1,569	6,541
GST receivable	1,709	192
	3,278	6,733
Non-current		
Exploration and evaluation asset (Note 3)	237,639	177,549
Total Assets	**240,917**	**184,282**
Liabilities and Shareholders' Equity		
Current Liabilities:		
Accrued liabilities	2,556	13,700
Shares to be issued	329,487	231,948
	332,043	245,648
Shareholders' Equity:		
Capital stock (Note 5)	51,471	51,471
Deficit	(142,597)	(112,837)
	(91,126)	-61,366
Total Liabilities and Shareholders' Equity	**240,917**	**184,282**

Nature and Continuance of Operations (Note 1)
Commitment (Note 4)
Subsequent Event (Note 10)

Approved and authorized for issue by the Board of Directors:

"Reno Calabrigo"

Reno Calabrigo, Director

The accompanying notes are an integral part of these Financial Statements

BARRANCO GOLD MINING CORP.

(an exploration stage enterprise)

Statement of Loss and Comprehensive Loss

For the years ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

	March 31, 2022 $	From Incorporation Date on April 28, 2020 to March 31, 2021 $
Expenses		
Bank charges	284	2,233
Consulting fees	-	78,396
Foreign exchange loss	67	79
Legal and accounting fees	6,745	17,994
Management fees	21,400	12,500
Meals & entertainment	-	1,235
Office	839	-
Transfer agent and filing fees	425	-
Travel	-	400
Net loss and comprehensive loss for the year	**29,760**	**112,837**
Basic and diluted loss per common share	0.006	0.169
Weighted average number of common shares outstanding	**5,147,058**	**670,031**

The accompanying notes are an integral part of these Financial Statements

BARRANCO GOLD MINING CORP.

(an exploration stage enterprise)

Statement of Change in Shareholders' Equity

For the years ended March 31, 2022 and 2021

(Unaudited - Expressed in Canadian dollars)

	Number of Outstanding Shares	Share Capital	Shares to be issued	Reserves	Deficit	Total Shareholders' Equity
		$		$	$	$
Share issued for cash on incorporation, April 28, 2020 Note (5)	1	1	-	-	-	1
Cancelation of incorporator share on February 16, 2021	(1)	(1)	-	-	-	(1)
Shares issued, February 16, 2021	5,147,058	51,471	-	-	-	51,471
Net loss and comprehensive loss for the year			-	-	(112,837)	(112,837)
Balance, March 31, 2021	5,147,058	51,471		-	(112,837)	(61,366)
Net loss and comprehensive loss for the year				-	(29,760)	(29,760)
Balance, March 31, 2022	5,147,058	51,471		-	(142,597)	(91,126)

The accompanying notes are an integral part of these Financial Statements

BARRANCO GOLD MINING CORP.
(an exploration stage enterprise)
Statement of Cash Flows
For the years ended March 31, 2022 and 2021
(Unaudited - Expressed in Canadian dollars)

	March 31, 2022 $	From Incorporation Date on April 28, 2020 to March 31, 2021 $
Cash (used in) /provided by:		
Operating activities		
Net loss for the period	(29,760)	(112,837)
Change in non-cash working capital components		
GST receivable	(1,517)	(192)
Accrued liabilities	(11,144)	13,700
Net cash used in operating activities	**(42,421)**	**(99,329)**
Financing activities		
Shares to be issued	97,539	231,948
Share issuance on incorporation	-	51,471
Net cash provided by financing activities	**97,539**	**283,419**
Investing activities		
Expenditure on exploration and evaluation asset	(60,090)	(177,549)
Net cash used in investing activities	**(60,090)**	**(177,549)**
Cash, beginning of the period	**6,541**	**-**
Cash, end of the period	**1,569**	**6,541**

The accompanying notes are an integral part of these Financial Statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Barranco Gold Mining Corp. (the "Company") is an exploration stage company engaged in locating, acquiring and exporting gold in Canada. The company was incorporated pursuant to the laws of British Columbia on April 28, 2020. The Company's registered address is 600-777 Hornby St., Vancouver, BC, V6Z 1S4.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of exploration properties and the Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write-downs of the carrying values.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance and basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. The financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars, which is the Company's functional currency.

(b) Use of estimates and judgments

The preparation of these financial statements in conformity 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 financial statements and reported amounts of expenses during the reporting year. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions, and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could differ from these estimates.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(b) Use of estimates and judgments (continued)

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

(c) Application of New IFRS

IFRS 16, Leases

On April 28, 2020, the Company adopted IFRS 16 – Leases ("IFRS 16") which replaced IAS 17 – Leases and IFRIC 4 – Determining Whether an Arrangement Contains a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases. The standard is effective for annual periods beginning on or after January 1, 2019. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead, all leases are treated in a similar way to finance leases applied in IAS 17. IFRS 16 does not require a lessee to recognize assets and liabilities for short-term leases (i.e. leases of 12 months or less), leases with certain variable lease payments, and leases of low-value assets.

The Company adopted IFRS 16 with no significant impact on the Company's financial statements.

(d) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amount of cash, and which are subject to insignificant risk of changes in value to be cash equivalents.

(e) Exploration and evaluation expenditures

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold, or management has determined there to be an impairment in value. These costs will be depleted using the unit-of-production method based on the estimated proven and probable reserves available on the related property following commencement of production.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(e) Exploration and evaluation expenditures (continued)

The amounts shown for mineral properties represent costs, net of write-offs, option proceeds and recoveries, and do not necessarily reflect present or future value. Recoverability of these amounts will depend upon the existence of economically recoverable reserves, the ability of the Company to obtain financing necessary to complete development, and future profitable production. The Company reviews the carrying values of mineral properties when there are any events or change in circumstances that may indicate impairment. Where estimates of future cash flows are available, an impairment charge is recorded if the estimated undiscounted future net cash flows expected to be generated by the property is less than the carrying amount. An impairment charge is recognized by the amount by which the carrying amount of the property exceeds the fair value of the property exceeds the fair value of the property.

(f) Mineral exploration and development costs

Exploration costs are charged to operations as incurred. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop the mine on the property prior to the start of the mining operations are capitalized.

(g) Reclamation and remediation provisions

The Company recognizes a provision for statutory, contractual, constructive, or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant, and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability including risks specific to the countries in which the related operation is located.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in exploration and evaluation assets. These costs are depleted using either the unit of production or straight-line method depending on the asset to which the obligation relates.

The obligation is increased for the accretion and the corresponding amount is recognized as a finance expense. The obligation is also adjusted for changes in the estimated timing, amount of expected future cash flows, and changes in the discount rate. Such changes in estimates are added to or deducted from the related asset except where deductions are greater than the carrying value of the related asset in which case, the amount of the excess is recognized in the statement of operations.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Reclamation and remediation provisions continued

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total provision for future site closure and reclamation costs is subject to change based on amendments to laws and regulations, changes in technology, price increases, changes in interest rates, and as new information concerning the Company's closure and reclamation obligations becomes available.

(h) Financial instruments

Classification and measurement – initial recognition

On initial recognition, all financial assets and liabilities are classified and recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss ("FVTPL").

Classification and measurement – subsequent to initial recognition

Subsequent measurement of financial assets and liabilities depends on their classification and measurement basis.

Financial Assets

Subsequent to initial recognition, financial assets are measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss, depending on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that do not meet the above conditions are classified as fair value through profit or loss. The Company's cash is measured at amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(h) Financial instruments (continued)

Financial Liabilities

Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless designated as fair value through profit or loss. The Company's accounts payable and accrued liabilities and loan payable are measured at amortized cost.

Impairment of Financial Assets

The Company applies the ECL model to its financial assets measured at amortized cost. Under the ECL model, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Upon recognition of a financial asset, 12-month ECLs are recognized in the statement of operations and a loss allowance is established. At each reporting date, if the credit risk associated with a financial asset has increased significantly and is not considered low, lifetime ECLs are recognized in the statement of operations.

(i) Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

the renounced tax deductions is recognized through the statement of operations with a pro-rata portion of the deferred premium.

(l) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. As at March 31, 2022, the Company had no potentially dilutive shares outstanding.

(m) Comprehensive loss

Comprehensive loss is the total non-owner change in equity for a reporting period. This change encompasses all changes in equity other than transactions from shareholders. For the year ended March 31, 2022 the Company did not have any items impacting comprehensive loss.

(n) Accounting standards issued but not yet effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended March 31, 2022, and have not been early adopted in preparing these financial statements. These new standards, and amendments to standards and interpretations are either not applicable or are not expected to have a significant impact on the Company's financial statements.

(Unaudited - Expressed in Canadian dollars)

3. Exploration and Evaluation Assets

	King Property $	Total $
Acquisition costs:		
Balance, April 28, 2020	–	-
Additions	177,549	177,549
Balance, March 31, 2021	177,549	177,549
Additions	60,090	60,090
Balance March 31, 2022	237,639	237,639

Exploration costs included:

	King Property $	Total $
Exploration costs:		
Cumulative balance, April 28, 2020	–	-
Field and miscellaneous	150,702	150,702
Geological and geological reports	26,847	26,847
Exploration expenditures for the year	177,549	177,549
Cumulative balance, March 31, 2021	177,549	177,549
Field and miscellaneous	60,090	60,090
Cumulative balance, March 31, 2022	273,639	273,639

<u>King Property</u>

On June 9, 2020 (as amended on July 8, 2020,), the Company entered into an option agreement with Andrew Molnar ("Molnar"), whereby Molnar granted the Company the right to acquire a 100% interest in and to the King Property located in the Spences Bridge area of British Columbia.

In order to acquire the 100% interest in the King Property, the Company shall pay $85,000 as follows:

- $25,000 on or before the execution of this agreement plus a late fee of $5,000 (paid);
- $30,000 on or before July 9, 2020 (paid);
- $25,000 on or before January 7, 2022(paid)

(Unaudited - Expressed in Canadian dollars)

3. Exploration and Evaluation Assets (continued)

King Property (continued)

In addition, the Company is required to incur a minimum of $112,000 of exploration expenditures on the King Property as follows:

- $112,000 on or before September 10, 2020 (incurred);

The option agreement is subject to a 1.5% net smelter return ("NSR"), of which the Company can purchase 100% of the NSR for $1,500,000 at any time.

4. COMMITMENT

The Company has no commitments as at the date of these financial statements.

5. CAPITAL STOCK

a. Authorized: unlimited Common shares without par value
b. Issued and Outstanding:

	Number of Shares	Amount ($)
Common shares issued for cash	5,147,058	51,471
Balance as at March 31, 2022	**5,147,058**	**51,471**

One incorporator share at $1 was cancelled on February 16, 2021. On February 16, 2021 the company issued 5,147,058 common shares for cash at $0.01 per share for a total value of $51,471.

Stock Options:

The Company has adopted an incentive stock option plan (the "Option Plan") which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors. As at and during the period ended March 31, 2022, no option was granted or outstanding.

As at March 31, 2022, the Company received $329,487 (2021 $231,948) for shares not yet issued.

6. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to acquire, explore and develop mineral properties. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. The Company is not subject to any capital requirements imposed by a regulator.

7. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash and accrued liabilities. Cash is stated at fair value and classified within Level 1 of the fair value hierarchy. The fair values of accrued liabilities approximate their carrying values due to their short-term nature of these instruments.

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

Strategic and operational risks are risks that arise if the Company fails to acquire, explore and develop mineral properties. These strategic opportunities or threats arise from a range of factors which might include changing economic and political circumstances and regulatory approvals and competitor actions. The risk is mitigated by consideration of other potential development opportunities and challenges which management may undertake.

The Company's credit risk was primarily attributable to bank balances. The Company limits its credit exposure on cash held in bank accounts firstly by holding its key transactional bank accounts with banks of international financial institutions.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2022, the Company had cash balance of $1,569 (2021 $6,5410 and current liabilities of $332,043 (2021 $231,498). All of the Company's financial liabilities have contractual maturities of less than 30 days, and are subject to normal trade terms. Management is considering different alternatives to secure adequate debt or equity financing to meet the Company short term and long-term cash requirement.

7. FINANCIAL INSTRUMENTS (continued)

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company holds no financial instruments that are denominated in a currency other than Canadian dollar. Accrued liabilities are denominated in Canadian currency. Therefore, the Company's exposure to currency risk is minimal.

8. RELATED PARTY TRANSACTIONS

As at March 31, 2021, the Company had no related party transaction other than the $1 cash received from the founder as a result of the incorporator share issued and the issuance of 5,147,058 shares to the founder at $0.01 per share for a total cash payment of $51,471.

During the period ended March 31, 2022 the Company paid management fees of $21,400 (2021 $12,500) t0 Reno Calabrigo an officer (president) and director of the Company,

These transactions above are in the normal course of operations and are measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

9. SEGMENTED INFORMATION

During the period ended March 31, 2022, the Company had one reportable operating segment, being a gold exploration company.

10. SUBSEQUENT EVENT

Subsequent to the year end the company has raised $16,331 for shares to be issued.