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**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)**  
**FOR THE THREE MONTHS ENDED**  
**MARCH 31, 2023 AND 2022**  
**(EXPRESSED IN CANADIAN DOLLARS)**

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**NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim consolidated financial statements, the financial statements must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor. The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

**BLUE THUNDER MINING INC.****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)**  
(Expressed in Canadian Dollars)

As at	Note	March 31, 2023	December 31, 2022
		\$	\$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash		513,042	38,324
Sundry receivables and prepaid expenses	5	147,505	486,635
<b>TOTAL ASSETS</b>		<b>660,547</b>	<b>524,959</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Amounts payable and accrued liabilities	6,16	700,401	642,416
Convertible promissory note	19	250,000	—
<b>Total liabilities</b>		<b>950,401</b>	<b>642,416</b>
<b>SHAREHOLDERS' (DEFICIENCY) EQUITY</b>			
Share capital	9	7,527,670	7,527,670
Warrants	10	505,869	505,869
Contributed surplus	11	1,298,514	1,292,745
Accumulated deficit		(9,621,907)	(9,443,741)
<b>Total shareholders' (deficiency) equity</b>		<b>(289,854)</b>	<b>(117,457)</b>
<b>TOTAL LIABILITIES AND EQUITY (DEFICIENCY)</b>		<b>660,547</b>	<b>524,959</b>
Nature of operations and going concern	1		
Commitments and contingencies	1,8,13,18		
Subsequent event	20		

APPROVED BY THE BOARD:

Signed, "Chad Williams", DirectorSigned, "Jean-Patrick Lariviere", Director*The accompanying notes are an integral part of these condensed interim consolidated financial statements.*

**BLUE THUNDER MINING INC.****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS (Unaudited)**  
(Expressed in Canadian Dollars)

Three months ended March 31,	Note	2023	2022
		\$	\$
<b>Operating Expenses</b>			
Exploration and evaluation expenditures (recovery)	14	(18,693)	413,951
General and administrative expenses	15	200,037	367,537
<b>Total expenses</b>		<b>181,344</b>	781,488
<b>Other expenses (income)</b>			
Flow-through share premium	8	—	(73,489)
Interest income		(3,178)	(391)
<b>Loss and comprehensive loss for the period</b>		<b>178,166</b>	707,608
<b>Basic and diluted loss per share</b>	12	<b>\$0.00</b>	\$0.02
<b>Weighted average number of common shares – basic and diluted</b>	12	<b>36,995,636</b>	29,903,437

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

**BLUE THUNDER MINING INC.**
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)**  
**(Expressed in Canadian Dollars)**

Period ended March 31,		2023	2022
	Note	\$	\$
<b>Cash flows from the following activities:</b>			
<b>Operating activities:</b>			
Net (loss) for the period		<b>(178,166)</b>	(707,608)
Adjustments for:			
Share-based compensation	11	<b>5,769</b>	149,347
Flow-through share premium	8	—	(73,489)
Changes in sundry receivables and prepaid expenses		<b>339,130</b>	(30,131)
Changes in amounts payable and accrued liabilities		<b>57,985</b>	(301,639)
<b>Net cash provided by (used in) operating activities</b>		<b>224,718</b>	(963,520)
<b>Financing activities:</b>			
Convertible promissory note	19	<b>250,000</b>	—
<b>Net cash provided by financing activities</b>		<b>250,000</b>	—
<b>Net change in cash</b>		<b>474,718</b>	(963,520)
<b>Cash, beginning of period</b>		<b>38,324</b>	1,633,285
<b>Cash, end of period</b>		<b>513,042</b>	669,765

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

**BLUE THUNDER MINING INC.**
**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' DEFICIENCY (Unaudited)**  
**(Expressed in Canadian Dollars)**

		CAPITAL		RESERVES		EQUITY	
	Note	# Shares	Share capital	Warrants	Contributed surplus	Accumulated deficit <sup>(1)</sup>	Total
<b>Balance, December 31, 2021</b>		<b>29,903,437</b>	<b>\$7,151,991</b>	<b>\$851,149</b>	<b>\$1,128,264</b>	<b>(\$7,633,728)</b>	<b>\$1,497,676</b>
Share-based compensation	9	—	—	—	149,347	—	149,347
Net loss and comprehensive loss		—	—	—	—	(707,608)	(707,608)
<b>Balance, March 31, 2022</b>		<b>29,903,437</b>	<b>\$7,151,991</b>	<b>\$851,149</b>	<b>\$1,277,611</b>	<b>(\$8,341,336)</b>	<b>\$939,415</b>
Private placements		7,092,199	500,000	—	—	—	500,000
Less: share issue costs		—	(5,000)	—	—	—	(5,000)
Warrants issued	9	—	(119,321)	119,321	—	—	—
Expiration of warrants	10	—	—	(464,601)	—	464,601	—
Share-based compensation	11	—	—	—	15,134	—	15,134
Net loss and comprehensive loss		—	—	—	—	(1,567,006)	(1,567,006)
<b>Balance, December 31, 2022</b>		<b>36,995,636</b>	<b>\$7,527,670</b>	<b>\$505,869</b>	<b>\$1,292,745</b>	<b>(\$9,443,741)</b>	<b>(\$117,457)</b>
Share-based compensation	11	—	—	—	5,769	—	5,769
Net loss and comprehensive loss		—	—	—	—	(178,166)	(178,166)
<b>Balance, March 31, 2023</b>		<b>36,995,636</b>	<b>\$7,527,670</b>	<b>\$505,869</b>	<b>\$1,298,514</b>	<b>(\$9,621,907)</b>	<b>(\$289,854)</b>

<sup>(1)</sup> Certain figures are restated as at and for the year ended December 31, 2021 – See note 3

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

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## Blue Thunder Mining Inc.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)  
For the three months ended March 31, 2023 and 2022  
(Expressed in Canadian Dollars)

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### 1. NATURE OF OPERATIONS AND GOING CONCERN

Blue Thunder Mining Inc. (the "Company" or "BTMI") was incorporated pursuant to the Business Corporations Act (Ontario) on April 28, 2017. Its corporate office is located at 401 Bay Street, Suite 2704, P.O. Box 4, Toronto, Ontario, Canada, M5H 2Y4 and its shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "BLUE" and on the OTCQB Venture Market ("OTCQB") under the symbol "BLTMF".

BTMI is an exploration company engaged in the identification, evaluation, acquisition and exploration of gold properties in Québec. The Company holds a 100% interest in five non-contiguous mineral exploration properties near Chibougamau, Québec.

These condensed interim consolidated financial statements ("Interim Financial Statements") were prepared on a going concern basis of presentation, which contemplates the realization of assets and settlement of liabilities as they become due in the normal course of operations for the next fiscal year. For the three months ended March 31, 2023, the Company incurred a net loss of \$178,166 (March 31, 2022 - \$707,608) and had an accumulated deficit of \$9,621,907 (December 31, 2022 - \$9,443,741). On January 20, 2023, the Company completed a share consolidation of its share capital on the basis of 4.7 pre-consolidation common shares for one post-consolidation common share. All common shares, per common share amounts, warrants and stock options in these condensed interim consolidated financial statements have been retroactively restated to reflect the share consolidation.

These Interim Financial Statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and thus be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

Although the Company has taken steps to verify title to exploration and evaluation properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, expropriation of properties, and political uncertainty.

The Company has not yet determined whether its exploration and evaluation properties contain economically recoverable reserves. The recovery of amounts comprising the exploration and evaluation properties is dependent upon the establishment and confirmation of recoverable reserves, the ability of the Company to obtain the necessary financing to successfully complete the exploration and development of any such reserves, the potential future profitability of any such reserves or alternatively, the disposition, on an advantageous basis, of the Company's interests in the exploration and evaluation properties.

As at March 31, 2023, BTMI had a working capital deficit of \$289,854 (December 31, 2022 - 117,457). The Company has no current source of operating cash flow, and there can be no assurances that sufficient funding, including adequate financing, will be available to explore and develop the Company's properties and meet the ongoing general and administrative expenses incurred to maintain operations. The Company's status as a going concern is contingent upon raising the necessary funds through the issuance of equity or debt. Raising additional funds will be dependent on exploration results. These factors indicate the existence of material uncertainties that cast significant doubt about the Company's ability to continue its operations as a going concern and to realize its

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## Blue Thunder Mining Inc.

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited) For the three months ended March 31, 2023 and 2022 (Expressed in Canadian Dollars)

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assets and recover amounts expended on its exploration and evaluation properties as this is dependent upon obtaining additional financing and for generating revenues sufficient to cover its operating costs.

## 2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

These Interim Financial Statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These Interim Financial Statements have been prepared in accordance with International Accounting Standard 34, *Interim Financial Reporting*. Accordingly, they do not include all of the information required for full interim financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

The policies applied in these Interim Financial Statements are based on IFRSs issued and outstanding as of the date of filing this report. The same accounting policies and methods of computation followed in these Interim Financial Statements are set out in note 3 of the most recently filed annual financial statements as at and for the year ended December 31, 2022 (the "Annual Financial Statements"), except where noted below. Any subsequent changes to IFRS that are given effect in the Company's Annual Financial Statements for the year ending December 31, 2023 could result in a restatement of these Interim Financial Statements.

The preparation of financial statements requires management ("Management") to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, revenues and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The functional and presentation currencies of the Company and its subsidiary are the Canadian dollar.

These Interim Financial statements incorporate the accounts of BTMI and its wholly-owned subsidiary, BTM Corporation ("BTMC"). All intercompany amounts and transactions have been eliminated on consolidation.

These Interim Financial Statements were authorized for issue by the Board of Directors on May 25, 2023.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### Change in Accounting Policy for Exploration and Evaluation Expenditures

In order to enhance the relevance to the decision-making needs of users and improve comparability with its peers, the Company has voluntarily elected to change its accounting policy with respect to exploration properties and deferred exploration expenditures, consistent with the guidance provided in IFRS 6 – Exploration for and Evaluation of Mineral Resources and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The new accounting policy was adopted on December 31, 2022 and applied retroactively to the consolidated financial statements for the year ended December 31, 2021 and the statement of financial position as at January 1, 2021. Historically, in prior periods, the Company's policy was to capitalize all direct costs related to the acquisition of a

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## Blue Thunder Mining Inc.

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited) For the three months ended March 31, 2023 and 2022 (Expressed in Canadian Dollars)

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mineral property upon acquiring the legal right to explore a mineral property, until such time as the properties were put into commercial production, sold, or became impaired.

The full accounting policy is as follows:

The Company expenses exploration and evaluation expenditures as incurred. Expenses charged to exploration properties include acquisition costs of mineral property rights, property option payments, and certain exploration and evaluation activities.

Once a project has been established as commercially viable, technically feasible, and the decision to proceed with development has been approved by the Board of Directors, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production.

The retroactive changes made to the consolidated statement of financial position as at December 31, 2021 giving effect to this policy change included an increase to accumulated deficit of \$975,477, and a charge to exploration and evaluation expenditures of the same amount. During the period ended March 31, 2022, there were no amounts capitalized to exploration and evaluation assets under the old policy and, therefore, no restatement of 2022 balances was required.

#### Basis of Consolidation

The Interim Consolidated Financial Statements include the accounts of the Company and its wholly-owned subsidiary, BTM Corporation ("BTMC"). All intercompany balances and transactions have been eliminated upon consolidation. Subsidiaries are entities over which the Company has control, where control is defined to exist when the Company is exposed to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases.

#### Significant Accounting Judgments and Estimates

The preparation of these financial statements requires management ("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 period. Actual outcomes could differ from these estimates. These financial statements include estimates that, 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 periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### *Critical accounting estimates*

Significant assumptions about the future that Management has made that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- The recoverability of sundry receivables which are included in the statements of financial position;
- **Asset carrying values and impairment charges:** in the determination of carrying values and impairment



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## Blue Thunder Mining Inc.

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

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charges, Management looks at the higher of recoverable amount, fair value less costs to sell in the case of assets, and significant or prolonged decline of fair value on financial assets indicating impairment. These determinations and their individual assumptions require that Management make a decision based on the best available information at each reporting period;

- **Restoration, rehabilitation and environmental obligations:** Management determines there are no material restoration, rehabilitation and environmental obligations, based on the facts and circumstances that existed in the current period that would trigger recognition of the provision in accordance with IAS 37, *"Provisions, contingent liabilities and contingent assets"*;
- **Fair value of options and warrants:** management determines the fair value of warrants and stock options using the Black-Scholes option pricing model; and
- **Income, value added, withholding and other taxes:** The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.
- **Valuation of the refundable mining duties credit and the refundable tax credit for resources:** The refundable mining duties credit and the refundable tax credit for resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessments and payments has been received from the relevant taxation authority. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources and the exploration and evaluation expenses in future periods.

*Standards issued and effective for annual periods beginning on or after January 1, 2023*

**IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28")** were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined; however early adoption is permitted.

**IAS 1 –** In February 2021, the IASB issued 'Disclosure of Accounting Policies' with amendments that are intended to help preparers in deciding which accounting policies to disclose in their financial statements. The amendments

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## Blue Thunder Mining Inc.

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited) For the three months ended March 31, 2023 and 2022 (Expressed in Canadian Dollars)

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are effective for year ends beginning on or after January 1, 2023. **Presentation of Financial Statements ("IAS 1")** was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument.

**IAS 8** – In February 2021, the IASB issued 'Definition of Accounting Estimates' to help entities distinguish between accounting policies and accounting estimates. The amendments are effective for year ends beginning on or after January 1, 2023.

The Company is currently assessing the impact of these standards and amendments.

#### 4. Financial Risk Management

##### Financial risk

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign currency risk and price risk).

Risk management is carried out by the Company's Management with oversight of these risks by the Company's Board of Directors.

##### (a) Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and other receivables, which consist mainly of taxes recoverable. The Company has no significant concentration of credit risk arising from operations.

##### (b) Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2023, the Company had cash of \$513,042 (December 31, 2022 - \$38,324) to settle current liabilities of \$950,401 (December 31, 2022 - \$642,416). The Company's financial liabilities generally have contractual maturities of less than 30 days.

##### (c) Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates and quoted prices.

##### (i) Interest rate risk

At March 31, 2023, the Company had \$513,042 (December 31, 2022 - \$38,324) in cash balances. The Company's current policy is to invest excess cash in high yield savings accounts and guaranteed investment certificates issued by a recognized Canadian chartered bank. The Company periodically monitors the investments it makes and the creditworthiness of the bank where the investments are held. As a result, Management believes the Company's exposure to interest rate risk is minimal.

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## Blue Thunder Mining Inc.

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited) For the three months ended March 31, 2023 and 2022 (Expressed in Canadian Dollars)

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(ii) Foreign currency risk

The Company does not have any significant assets in any currency other than its functional currency, nor does it have significant foreign currency denominated liabilities, therefore any changes in foreign exchange rates should not give rise to any significant change to the ongoing results of operations.

(iii) Price risk

The Company is exposed to price risk with respect to equity prices and commodity prices. Equity price risk is defined as the potential adverse impact on the Company's loss 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 and economic value due to commodity price movements and volatilities. As the Company is not a commodity producer, Management believes the Company's exposure to price risk is minimal.

#### 5. Sundry Receivables and Prepaid Expenses

As at	March 31, 2023	December 31, 2022
Sales tax receivable	\$135,180	\$459,153
Prepaid expenses	12,324	27,482
	<b>\$147,505</b>	<b>\$486,635</b>

#### 6. Amounts Payable and Accrued Liabilities

As at	March 31, 2023	December 31, 2022
Amounts payable	\$676,651	\$601,416
Accrued liabilities	23,750	41,000
	<b>\$700,401</b>	<b>\$642,416</b>

#### 7. Capital Risk Management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments to it according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company manages its capital structure by issuing new shares, adjusting capital spending, or disposing assets. The capital structure is reviewed by Management and the Board of Directors on an ongoing basis. The Company's ability to continue to carry out its planned exploration activities is uncertain and dependent upon securing additional financing.

The Company considers its capital to be comprised of share capital, warrants reserve, contributed surplus and

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## Blue Thunder Mining Inc.

### Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)

For the three months ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

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accumulated deficit, which at March 31, 2023, was in a deficiency position of \$289,854 (December 31, 2022 - 117,457).

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. The Company's capital management objectives, policies, and processes have remained significantly unchanged during the three-month periods ended March 31, 2023, and 2022.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX-V which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As at March 31, 2023, the Company was not compliant with the policies of the TSX-V. The consequences of non-compliance are at the discretion of the TSX-V.

#### 8. Flow-Through Share Premium Liability

The following is a continuity schedule of the liability of the flow-through share issuances:

<b>Balance, December 31, 2021</b>	<b>\$199,952</b>
Flow-through share premium recognized	(199,952)
<b>Balance, December 31, 2022 and March 31, 2023</b>	<b>\$ —</b>

The flow-through common shares (defined below) issued in the private placements completed during the year ended December 31, 2021, were issued at a premium to the estimated price of a regular common share, in recognition of the tax benefits accruing to subscribers. The flow-through share premium is derecognized through income as the eligible expenditures are incurred. Through this mechanism, during the three months ended March 31, 2023, a premium of \$nil (March 31, 2022 – \$73,489) was recovered and recognized as other income on the Statement of Loss and Comprehensive Loss for the period.

#### 9. Share Capital

##### a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value and all issued shares are fully paid. At March 31, 2023, the Company had 36,995,636 common shares issued and fully paid for.

## Blue Thunder Mining Inc.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)  
For the three months ended March 31, 2023 and 2022  
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### b) Common shares issued

The following table represents the changes to share capital during the year ended December 31, 2022 and the three months ended March 31, 2023:

	Number of Common Shares	Amount
<b>Balance, December 31, 2021</b>	<b>29,903,437</b>	<b>\$7,151,991</b>
Private placements (b)(i)	7,092,199	500,000
Less: share issue costs (b)(i)	—	(5,000)
Warrants issued (b)(i)	—	(119,321)
<b>Balance, December 31, 2022 and March 31, 2023</b>	<b>36,995,636</b>	<b>\$7,527,670</b>

- i. On September 19, 2022, the Company completed a non-brokered private placement financing of 7,092,199 units (the "Units") of BTMI at a price of \$0.33 per unit for gross proceeds of \$500,000. Each Unit consists of one common share and one common share purchase warrant ("2022 Warrant"). Directors, officers and insiders of the Company subscribed for 4,765,957 Units.

Each 2022 Warrant entitles the holder to purchase one common share of the Company at a price of \$0.24 for a period of three years following the closing date of the Offering. Each 2022 Warrant is subject to an acceleration clause under certain conditions. Using the Black-Scholes option pricing model, a fair value of \$119,321 was assigned to the 2022 Warrants using the following assumptions: expected dividend yield of 0%; risk-free interest rate of 3.71%; volatility of 97%, and an expected life of 36 months. Volatility was estimated based on the historical volatility of the Company. In connection with this financing, the Company paid \$5,000 in share issue costs.

- ii. On December 16, 2022, the Company's shareholders approved, at the Annual General and Special Meeting, the consolidation of all of the issued and outstanding common shares of the Company on the basis of 1 new common share for every 4.7 pre-consolidation common shares issued and outstanding (the "Consolidation"). The Consolidation became effective as of January 20, 2023. All share capital amounts at March 31, 2023 and December 31, 2022, including common shares issued and outstanding, warrants, and options, are shown at their post-consolidation values.

## 10. Warrants

The following table reflects the warrants activity for the year ended December 31, 2022 and the three months ended March 31, 2023:

	Number of Warrants	Fair value on the date of issuance
<b>Balance, December 31, 2021</b>	<b>10,177,955</b>	<b>\$851,149</b>
Issued (note 9(b)(ii))	7,092,199	119,321
Expired	(2,205,402)	(464,601)
<b>Balance, December 31, 2022, and March 31, 2023</b>	<b>15,064,752</b>	<b>\$505,869</b>

## Blue Thunder Mining Inc.

Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)  
For the three months ended March 31, 2023 and 2022  
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The following table reflects the warrants issued and outstanding as of March 31, 2023:

Exercise Price	Number of Warrants Outstanding	Weighted Average Remaining Contractual Life – Years	Expiry Date
\$0.33	7,972,553	1.75	December 29, 2024
\$0.24	7,092,199	2.47	September 19, 2025
<b>\$0.29</b>	<b>15,064,752</b>	<b>2.09</b>	

The weighted average warrant exercise price at March 31, 2023 is \$0.29 (December 31, 2022 - \$0.29). The weighted average remaining warrant life at March 31, 2023 is 2.09 years (December 31, 2022 – 2.34 years).

### 11. Stock Options

The following table reflects the options activity during the year ended December 31, 2022 and the three months ended March 31, 2023:

	Number of Options	Weighted Average Exercise Price
<b>Balance, December 31, 2021</b>	<b>1,195,156</b>	<b>\$0.28</b>
Granted (a)-(c)	2,250,000	0.24
Forfeited (d)	(10,638)	0.24
<b>Balance, December 31, 2022, and March 31, 2023</b>	<b>3,434,518</b>	<b>\$0.26</b>

- a) On January 7, 2022, 930,851 options were granted to directors, officers, and consultants of the Company with an exercise price of \$0.24 and a term to expiry of five years. The options vest as to one-half on the date of grant, and one-half on the six-month anniversary of the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; risk-free rate interest rate of 1.50% and expected volatility of 144.9%. The fair value assigned to these options was \$135,033.
- b) On August 23, 2022, 106,383 options were granted to a director and officer of the Company with an exercise price of \$0.24 and a term to expiry of five years. The options vest as to one-half on the date of grant, and one-half on the six-month anniversary of the date of grant. The fair value of these options was estimated to be \$6,313 on the date of grant using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; risk-free rate interest rate of 3.21% and expected volatility of 148%.
- c) On October 18, 2022, 1,212,766 options were granted to officers, directors, and consultants of the Company with an exercise price of \$0.24 for a period of five years from the date of grant, and a range of vesting periods.
- d) During the year ended December 31, 2022, 10,638 unvested options were forfeited upon the resignation of a consultant of the Company (2021 – 712,129).
- e) For the three months ended March 31, 2023, the impact on the statement of loss and other comprehensive loss was an aggregate expense of \$5,769 (2022 - \$149,347) for options that vested during the period. The weighted average remaining life at March 31, 2023 is 4.11 years (December 31, 2022 – 4.36 years).

## Blue Thunder Mining Inc.

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The following table reflects the issued and outstanding stock options at March 31, 2023:

Exercise price	Number of Options Outstanding	Weighted Average Remaining Contractual Life - Years	Number of Options Exercisable	Expiry Date
\$0.19	85,106	0.49	85,106	September 27, 2023
\$0.47	17,021	2.33	17,021	July 27, 2025
\$0.66	191,489	2.35	191,489	August 6, 2025
\$0.47	53,191	2.89	53,191	January 27, 2026
\$0.47	60,426	2.97	60,426	March 18, 2026
\$0.26	53,191	3.18	53,191	June 2, 2026
\$0.24	106,383	3.27	106,383	July 7, 2026
\$0.24	920,214	3.78	920,214	January 7, 2027
\$0.24	106,383	4.40	106,383	August 23, 2027
\$0.24	1,212,767	4.55	535,462	October 18, 2027
\$0.19	628,347	5.20	628,347	June 11, 2028
<b>\$0.26</b>	<b>3,434,518</b>	<b>4.11</b>	<b>2,757,213</b>	

### 12. Net Loss Per Share

The calculation of basic and diluted loss per share for the three months ended March 31, 2023 was based on the loss attributable to common shareholders of \$178,166 (2022 – \$707,608) and the weighted average number of common shares outstanding of 36,995,636 (2022 – 29,903,437). Diluted loss per share for three months ended March 31, 2023 and 2022 did not include the effect of stock options and warrants as they would be anti-dilutive.

### 13. Exploration and Evaluation Properties

Details of the Company's property holdings are as follows:

Property Acquired	Date Acquired	Interest	Consideration Paid	NSR Royalty <sup>1</sup>
Muus-Principal, Québec	August 2017	100%	\$255,000 cash \$100,000 shares \$30,000 finders' fees	2%
Muus-Tectonic Claims, Québec	February 2019	100%	\$570,000 cash \$250,000 exploration	2%
Muus Extension, Québec	May 2019	100%	\$30,000 cash \$50,000 shares	1%
Muus and Muus East Properties, Québec	February 2020	100%	\$150,000 shares	—
Fancamp and Embry gold properties, Québec	May 2020	100%	\$428,776 shares	1%
Contiguous to Muus & Nisk properties, Québec	November 2020	100%	\$10,265 cash \$10,000 shares	—
Lac Des Vents, Quebec	February 2021	100%	\$12,500 cash	—
Muus Southwest Property	April 2021	100%	\$5,000 cash \$10,000 shares	2%



## Blue Thunder Mining Inc.

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<sup>1</sup> Pursuant to the respective property agreements, the vendor may buy back some or all of the NSR Royalty for an agreed-upon fee.

In 2022, the Company dropped claims in the Embry, Nisk, and Muus East regions. The claims were allowed to lapse as the claim renewal costs, in the view of Management and the Board of Directors, were too high in light of minimal work that had been done on the claims.

#### 14. Exploration and evaluation expenditures ("E&E")

Three months ended March 31,	2023	2022
<b>Geology/Field</b>		
Consulting (contract geologists and other technical specialists)	<b>\$84,152</b>	\$141,645
Assays	<b>21,332</b>	58,099
Camp, field expenses (including geochemistry and geophysics)	<b>6,200</b>	35,606
Claim maintenance (including acquisition costs)	<b>8,526</b>	153,682
Travel, transportation	<b>6,943</b>	8,595
<b>Financial/Administrative Support</b>		
Refundable tax credit	<b>(148,370)</b>	—
Other (includes CSR, Environment, G&A, insurance, legal, etc.)	<b>2,524</b>	16,324
	<b>(\$18,693)</b>	\$413,951

#### 15. General and administrative expenses

Three months ended March 31,	2023	2022
Management and consulting fees	<b>\$64,200</b>	\$49,575
Office and general	<b>45,771</b>	142,202
Professional fees	<b>62,594</b>	10,450
Share-based compensation (note 11)	<b>5,769</b>	149,347
Regulatory fees	<b>21,703</b>	15,963
	<b>\$200,037</b>	\$367,537

#### 16. Related Party Balances and Transactions

Related parties as defined by IAS 24 - *Related Party Disclosures* include members of the Board of Directors, key management personnel, and any companies controlled by these individuals. Key management personnel include those persons having authority and responsibility for planning, directing, and controlling activities of the Company being directors and executive management, comprising of the Chief Executive Officer and the Chief Financial Officer.

The transactions noted below are in the normal course of business and are approved by the Board of Directors in adherence to conflict-of-interest laws and regulations.

The remuneration of directors and key management personnel of the Company was as follows:



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## Blue Thunder Mining Inc.

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Three months ended March 31,	2023	2022
Consulting fees – general and administrative expenses	\$64,200	\$49,575
Consulting fees – exploration and evaluation expenditures	45,000	22,500
Share-based compensation	5,442	91,128
	\$114,642	\$163,203

Consulting fees included in general and administrative expenses include amounts paid to Grove Corporate Services Ltd., (“Grove”), a private company through which the services of the CFO and Corporate Secretary are provided.

At March 31, 2023, a total of \$97,009 (December 31, 2022 - \$175,568) is owed to officers, directors and companies controlled by officers and directors. These amounts are unsecured, non-interest-bearing, and with no fixed terms of repayment.

See also notes 9(b)(i) and 19.

### 17. Segmented Information

The Company’s only activity is mineral exploration and evaluation. All of the Company’s field equipment and supplies and exploration claims are physically located in the Province of Quebec.

### 18. Commitments and Contingencies

- a) Flow-through shares: pursuant to the terms of flow-through share agreements, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As at December 31, 2022 the Company has complied with its spending commitments for flow-through shares issued in 2020, and 2021. The Company has indemnified the subscribers of the flow-through shares for taxable amounts that may become due if the Company does not complete its contractual obligations related to the flow-through shares.
- b) The Company’s exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make expenditures to comply with such laws and regulations.
- c) Property payments: see note 13 – *Exploration and Evaluation Properties*.
- d) Management contracts: the Company is a party to certain contracts. The Company is also committed to minimum payments upon termination of approximately \$20,925 pursuant to the terms of these contracts as of March 31, 2023.
- e) The Company may be subject to various claims, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable, and the amounts are estimable.

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### 19. Letter of Intent

On January 30, 2023, the Company announced that it signed a binding letter of intent ("LOI") with Analog Gold Inc. ("Analog") which sets out the basic terms and conditions pursuant to which the Company will acquire all of the issued and outstanding shares of Analog ("Analog Shares") in exchange for common shares of the Company ("Blue Thunder Shares") (the "Transaction"). Pursuant to the terms of the LOI, the Company will issue sufficient Blue Thunder Shares such that the Transaction will constitute a Reverse Takeover ("RTO") under the rules of the TSXV. The RTO is arm's length and there is no finder's fee associated with the Transaction.

It is proposed that the Company will use an indicative aggregate valuation of \$10,000,000 to combine with Analog for its indicative aggregate price of \$37,500,000 payable by the issuance of such an aggregate number of Blue Thunder Shares to the shareholders of Analog (including those from the Analog Financing (as defined below)) pro rata based on the number of Analog Shares held by each such shareholder of Analog, at the deemed price per Blue Thunder Share equal to the Concurrent Financing Price (as defined below). The aggregate purchase price of the Transaction is subject to due diligence and the assumptions, terms, and conditions of the LOI, and is also subject to Analog having closed the Analog Financing (as described below) prior to the closing of the RTO (the "Closing").

The LOI also contemplates other material conditions precedent to be fulfilled prior to Closing, including, the completion by: (i) Analog of a financing to raise gross proceeds of a minimum of \$5,000,000 (the "Analog Financing"), customary due diligence, and all requisite board and shareholder approvals being obtained, and (ii) the Company of a concurrent financing (the "Concurrent Financing") for minimum gross proceeds of \$250,000, the form and terms of which are to be determined at a future date (the "Concurrent Financing Price"). To the extent the Analog Financing is less than \$5,000,000, appropriate adjustments will be made.

When the LOI was announced on January 30, 2023, it was anticipated that the parties would enter into a definitive agreement replacing the LOI (the "Formal Agreement") on or about March 27, 2023, and that the closing of the RTO would take place on or about March 30, 2023. On March 30, 2023 (the "Second Announcement Date"), the Company announced that the anticipated date to enter into a definitive agreement was being deferred: a) due to the requirement that the Company needed to include audited financial statements of Analog in the information circular to be sent to the Company's shareholders and b) to allow for more time to satisfactorily complete other steps required to close the RTO. At the Second Announcement Date, it was anticipated that the Formal Agreement would be entered into on or about May 17, 2023, and the RTO would close in late June 2023, following a meeting of Blue Thunder's shareholders which will be held to approve the RTO. As at the date of approval of these Interim Financial Statements, the parties have not yet entered into the Formal Agreement and they cannot estimate when the Formal Agreement will be entered into or when the RTO will be completed. There can be no assurance the RTO will be completed as described or at all, and trading in Blue Thunder shares remains halted.

On March 30, 2023, BTMI completed the Concurrent Financing by issuing a convertible promissory note (the "Note") to a director of the Company (the "Noteholder") in the amount of \$250,000 which will be converted into common shares of the Company on completion of the RTO at a price of \$0.28 per share (the "Concurrent Financing Price").

### 20. Subsequent Event

- a) Subsequent to March 31, 2023, \$136,000 of the Note (see note 19) was repaid to the Noteholder.