



**BWR EXPLORATION INC.
CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
THREE MONTHS ENDED FEBRUARY 28, 2023
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

Notice To Reader

The accompanying unaudited condensed consolidated interim financial statements of BWR Exploration Inc. (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Financial Position****(Expressed in Canadian Dollars)****(Unaudited)**

	As at February 28, 2023	As at November 30, 2022
ASSETS		
Current assets		
Cash	\$ 111,227	\$ 109,189
Sales tax receivable	18,563	10,419
Total assets	\$ 129,790	\$ 119,608
LIABILITIES AND SHAREHOLDERS' DEFICIENCY		
Current liabilities		
Accounts payable and accrued liabilities (note 9)	\$ 833,748	\$ 830,231
Total liabilities	833,748	830,231
Shareholders' deficiency		
Share capital (note 4)	4,149,191	4,068,461
Reserves (notes 5 and 6)	701,354	649,544
Deficit	(5,554,503)	(5,428,628)
Total shareholders' deficiency	(703,958)	(710,623)
Total liabilities and shareholders' deficiency	\$ 129,790	\$ 119,608

Nature of operations and going concern (note 1)

Approved on behalf of the Board:

"Neil Novak", Director _____

"George Duguay", Director _____

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

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Period Ended February 28, 2023	Three Months Period Ended February 28, 2022
Operating expenses		
Exploration and evaluation expenditures (note 3)	\$ 58,082	\$ 35,842
General and administrative (note 8)	67,793	72,939
Loss from operating expenses	(125,875)	(108,781)
Settlement of flow-through share premium (note)	-	500
Total loss and comprehensive loss for the period	\$ (125,875)	\$ (108,281)
Basic and diluted net loss per share (note 7)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	103,431,736	101,442,461

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

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Cash Flows****(Expressed in Canadian Dollars)****(Unaudited)**

	Three Months Period Ended February 28, 2023	Three Months Period Ended February 28, 2022
Operating activities		
Net loss for the period	\$ (125,875)	\$ (108,281)
Adjustments for:		
Settlement of flow-through share premium	-	(500)
Changes in non-cash operating capital:		
Sales tax receivable	(8,144)	7,245
Accounts payables and accrued liabilities	3,517	31,035
Net cash used in operating activities	(130,502)	(70,501)
Financing activities		
Private placement proceeds, net of issuance costs	132,540	-
Net cash provided by financing activities	132,540	-
Net change in cash	2,038	(70,501)
Cash, beginning of period	109,189	292,370
Cash, end of period	\$ 111,227	\$ 221,869

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

BWR Exploration Inc.**Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency****(Expressed in Canadian Dollars)****(Unaudited)**

		<u>Reserves</u>			
	Share Capital	Contributed surplus	Warrants reserve	Deficit	Total
Balance, November 30, 2021	\$ 4,068,461	\$ 398,034	\$ 279,640	\$ (5,073,489)	\$ (327,354)
Expiry of warrants	-	-	(1,300)	1,300	-
Net loss for the period	-	-	-	(108,281)	(108,281)
Balance, February 28, 2022	\$ 4,068,461	\$ 398,034	\$ 278,340	\$ (5,180,470)	\$ (435,635)
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Balance, November 30, 2022	\$ 4,068,461	\$ 430,514	\$ 219,030	\$ (5,428,628)	\$ (710,623)
Private placements	137,040	-	-	-	137,040
Warrants issued	(51,810)	-	51,810	-	-
Cost of issue - cash	(4,500)	-	-	-	(4,500)
Net loss for the period	-	-	-	(125,875)	(125,875)
Balance, February 28, 2023	\$ 4,149,191	\$ 430,514	\$ 270,840	\$ (5,554,503)	\$ (703,958)

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

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of operations and going concern

BWR Exploration Inc. (the "Company" or "BWR"), was incorporated on January 20, 2011, and reincorporated under the laws of the Province of Ontario, Canada, by Articles of Incorporation dated March 1, 2021. BWR is engaged in the exploration of precious and base metal properties. BWR is a public company, quoted for trading on the TSX Venture Exchange ("TSX-V") under the symbol "BWR". The Company's principal properties are the Shunby Property, the Vendôme Sud Property and the Little Stull Lake Gold Project. The registered office of the Company is located at The Canadian Venture Building, 82 Richmond Street East, Toronto, Ontario, M5C 1P1, Canada.

As at February 28, 2023, the Company had a working capital deficit of \$703,958 (November 30, 2022 - \$710,623) and a deficit of \$5,554,503 (November 30, 2022 - \$5,428,628). These factors indicate the existence of material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. However, management of the Company believes that it will be able to pay its ongoing general and administrative expenses and meet its liabilities for the ensuing twelve months as they fall due through additional financing. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its exploration and evaluation expenditures is dependent on management's ability to generate cash through equity financings and manage its cash resources.

Management believes the going concern assumption to be appropriate for these unaudited condensed consolidated interim financial statements. If the going concern assumption was not appropriate, adjustments might be necessary to the carrying value of the assets and liabilities, reported revenues and expenses, and the balance sheet classifications used in the unaudited condensed consolidated interim financial statements. These adjustments could be material.

The recoverability of exploration and evaluation expenditures is dependent upon the discovery of economically recoverable reserves, the preservation of the Company's interest in the underlying mineral claims, the ability to obtain necessary financing, obtain government approval and attain profitable production, or alternatively, upon the Company's ability to dispose of its interest on an advantageous basis.

2. Summary of significant accounting policies

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("Interpretations Committee"). These unaudited condensed consolidated 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 annual financial statements required by IFRS as issued by IASB and interpretations issued by IFRIC.

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

(Unaudited)

2. Summary of significant accounting policies (continued)

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS issued and outstanding as of the date the Board of Directors approved these statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual financial statements as at and for the year ended November 30, 2022. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending November 30, 2023 could result in restatement of these unaudited condensed consolidated interim financial statements.

The unaudited condensed consolidated interim financial statements of BWR for the three months ended February 28, 2023 were reviewed by the Audit Committee and approved and authorized for issue by the Board of Directors on April 27, 2023.

New standards adopted

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2021 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded as it is expected to have no impact on the unaudited condensed consolidated interim financial statements.

3. Mineral properties

	Vendôme Sud Property	Shunsby Property	Little Stull Lake Gold Property	Total
Exploration and Evaluation Expenditures				
Period Ended February 28, 2022				
Leases and taxes	-	-	13,702	13,702
Geological consultants	-	-	17,003	17,003
Travel, meals and accommodation	-	-	5,137	5,137
Total February 28, 2022	\$ -	\$ -	\$ 35,842	\$ 35,842
Exploration and Evaluation Expenditures				
Period Ended February 28, 2023				
Leases and taxes	\$ -	\$ 1,257	\$ 252	\$ 1,509
Administrative	-	-	397	397
Camp and equipment	-	-	378	378
Geological consultants	2,541	-	44,768	47,309
Assays	-	-	8,039	8,039
Travel, meals and accommodation	-	-	450	450
Total February 28, 2023	\$ 2,541	\$ 1,257	\$ 54,284	\$ 58,082

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

(Unaudited)

4. Share capital

a) *Authorized share capital*

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) *Common shares issued*

	Number of common shares	Amount
Balance - November 30, 2021 and February 28, 2022	101,442,461	\$ 4,068,461
Balance - November 30, 2022 and February 28, 2023	101,442,461	\$ 4,068,461
Private placement (i) (ii)	4,568,000	137,040
Warrants issued (i) (ii)	-	(51,810)
Cost of issue - cash (ii)	-	(4,500)
Balance - February 28, 2023	106,010,461	\$ 4,149,191

(i) On December 22, 2022, the Company closed tranche 1 of a non-brokered unit offering or gross proceeds of \$56,040 through the issuance of 1,868,000 units. Each unit consists of share and one half of one common share purchase warrant of the Company. Each full warrant will expire in three years, and is exercisable at a price of \$0.06 per full warrant share within 24 months from the date of issue and at a price of \$0.10 per full warrant share for the period that is for 24 months plus one day from the date of issue until expiry. The fair value of the 934,000 warrants was estimated at \$20,290 using the Black-Scholes Option Pricing Model with the following assumptions: expected dividend yield - 0%, share price of \$0.03, expected volatility - 145% (based on historical volatility), risk-free interest rate - 3.57%, exercise price of \$0.06 and an expected average life of 3 years.

(ii) On February 8, 2023, the Company closed tranche 2 of a non-brokered unit offering or gross proceeds of \$81,000 through the issuance of 2,700,000 units. Each unit consists of share and one half of one common share purchase warrant of the Company. Each full warrant will expire in three years, and is exercisable at a price of \$0.06 per full warrant share within 24 months from the date of issue and at a price of \$0.10 per full warrant share for the period that is for 24 months plus one day from the date of issue until expiry. The fair value of the 1,350,000 warrants was estimated at \$31,520 using the Black-Scholes Option Pricing Model with the following assumptions: expected dividend yield - 0%, share price of \$0.035, expected volatility - 127% (based on historical volatility), risk-free interest rate - 3.61%, exercise price of \$0.06 and an expected average life of 3 years.

In connection with the private placement, the Company paid for legal fees of \$4,500.

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

(Unaudited)

5. Warrants

The following summarizes the warrant activity for the three months ended February 28, 2023 and February 28, 2022:

	Number of warrants	Weighted average exercise price
Balance - November 30, 2021	13,033,600	\$ 0.079
Expired	(3,063,600)	0.092
Balance - February 28, 2022	9,970,000	\$ 0.088
Balance - November 30, 2022	9,970,000	\$ 0.088
Warrants issued (note 4(b))	2,284,000	0.060
Balance - February 28, 2023	12,254,000	\$ 0.082

As of February 28, 2023, the following warrants were outstanding:

Date issued	Expiry Date	Number of warrants	Exercise price (\$)	Fair value on grant (\$)
September 16, 2020 ⁽¹⁾	September 16, 2023	3,600,000	0.100	91,890
September 18, 2020 ⁽¹⁾	September 18, 2023	1,400,000	0.100	35,770
April 16, 2021 ⁽¹⁾	April 16, 2024	4,970,000	0.075	91,370
December 22, 2022 ⁽²⁾	December 22, 2025	934,000	0.060	20,290
February 8, 2023 ⁽²⁾	February 8, 2026	1,350,000	0.060	31,520
		12,254,000	0.082	270,840

⁽¹⁾ Exercisable at a price of \$0.075 per share for the first and second years and \$0.10 per share for the third year from the date of grant.

⁽²⁾ Exercisable at a price of \$0.06 per share for the first and second years and \$0.10 per share for the third year from the date of grant.

6. Stock options

The following summarizes the stock option activity for the three months ended February 28, 2023 and February 28, 2022:

	Number of stock options	Weighted average exercise price
Balance - November 30, 2021	5,975,000	\$ 0.05
Granted (i)(ii)	2,350,000	0.05
Expired	(1,355,000)	0.05
Balance - February 28, 2022	6,970,000	\$ 0.05
Balance - November 30, 2022 and February 28, 2023	6,800,000	\$ 0.05

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

(Unaudited)

6. Stock options (continued)

As of February 28, 2023, the following stock options were outstanding:

Expiry Date	Exercise price (\$)	Number of stock options	Number of exercisable stock options	Weighted average contractual life (years)	Fair value on Grant (\$)
June 02, 2023	0.05	500,000	500,000	0.26	12,100
May 29, 2024	0.05	1,300,000	1,300,000	1.25	48,286
April 13, 2025	0.05	1,450,000	1,450,000	2.12	31,400
June 02, 2026	0.05	1,850,000	1,850,000	3.26	61,802
June 02, 2027	0.05	1,700,000	1,700,000	4.26	32,480
	0.05	6,800,000	6,800,000	2.66	186,068

7. Loss per share

	Three Months Period Ended February 28, 2023	Three Months Period Ended February 28, 2022
Net loss per share:		
- basic	\$ (0.00)	\$ (0.00)
- diluted	\$ (0.00)	\$ (0.00)
Net loss for the period	\$ (125,875)	\$ (108,281)
Weighted average outstanding - basic and diluted	103,431,736	101,442,461

Basic loss per share is computed by dividing net loss (the numerator) by the weighted average number of outstanding common shares for the period (the denominator). In computing diluted loss per share, an adjustment is not made for the dilutive effect of outstanding warrants and outstanding stock options as they are anti-dilutive.

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

(Unaudited)

8. General and administrative expenses

	Three Months Period Ended February 28, 2023	Three Months Period Ended February 28, 2022
Consulting fees (note 9)	\$ 27,000	\$ 33,000
Accounting and corporate secretarial fees (note 9)	10,562	11,069
Professional fees (note 9)	9,500	18,173
Office and general (note 9)	17,591	10,136
Investor relations and shareholder information	3,140	561
Share-based payments (notes 6 and 9)	-	-
	\$ 67,793	\$ 72,939

9. Related party transactions

The Chief Financial Officer is a senior employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three months ended February 28, 2023, the Company incurred \$9,618 (three months ended February 28, 2022 - \$9,228) for accounting services rendered by MSSI. As at February 28, 2023, MSSI was owed \$8,426 (November 30, 2022 - \$9,358) and this amount was included in accounts payable and accrued liabilities.

DSA Corporate Services Inc. ("DSA"), a firm providing corporate secretarial and filing services, is affiliated with MSSI through a common officer. During the three months ended February 28, 2023, the Company incurred \$6,066 (three months ended February 28, 2022 - \$500) for services rendered by DSA. As at February 28, 2023, DSA was owed \$1,308 (November 30, 2022 - \$791) and this amount was included in accounts payable and accrued liabilities.

The Company received consulting services from Nominex Ltd. ("Nominex"), a company controlled by the President and Chief Executive Officer ("CEO"). The fees consisted of consulting fees of \$45,000 during the three months ended February 28, 2023 (three months ended February 28, 2022 - \$15,000) for CEO services and exploration and evaluation expenditures of \$30,000, during the three months ended February 28, 2023 (three months ended February 28, 2022 - \$22,500) for geological consulting. As at February 28, 2023, Nominex was owed \$295,000 (November 30, 2022 - \$289,323) and this amount was included in accounts payable and accrued liabilities.

The Company received consulting services from Diges Professional Corporation ("Diges"), a company controlled by the Company's Corporate Secretary. During the three months ended February 28, 2023, the Company incurred \$6,000 (three months ended February 28, 2022 - \$9,000) for services rendered by Diges. As at February 28, 2023, Diges was owed \$76,000 (November 30, 2022 - \$70,000) and this amount was included in accounts payable and accrued liabilities.

The Company received legal services from REVLaw, where the Company's Corporate Secretary is a partner. During the three months ended February 28, 2023, the Company incurred \$7,000 (three months ended February 28, 2022 - \$12,500) for services rendered by REVLaw, of which \$nil was reflected as share issue costs (three months ended February 28, 2022 - \$25,000). As at February 28, 2023, REVLaw was owed \$242,500 (November 30, 2022 - \$235,000) and this amount was included in accounts payable and accrued liabilities.

BWR Exploration Inc.

Notes to Condensed Consolidated Interim Financial Statements

Three Months Ended February 28, 2023

(Expressed in Canadian Dollars)

(Unaudited)

9. Related party transactions (continued)

The Company received consulting services from G. Duguay Services Inc., a company controlled by a director of the Company. During the three months ended February 28, 2023, the Company incurred \$6,000 (three months ended February 28, 2022 - \$9,000) for services rendered by G. Duguay Services Inc. As at February 28, 2023, G. Duguay Services Inc. was owed \$139,000 (November 30, 2022 - \$133,000) and this amount was included in accounts payable and accrued liabilities.

10. Segmented information

The Company operates in one reportable operating segment, being the acquisition and exploration and evaluation of mineral properties located in Canada.