



**Mundoro Capital Inc.**

**Condensed Interim Consolidated Financial Statements**

**(Unaudited)**

**June 30, 2022**

**Expressed in Canadian Dollars**

Reader's Note:

These unaudited condensed interim consolidated financial statements of Mundoro Capital Inc. have been prepared by management and have not been reviewed by the Company's auditors.

**MUNDORO CAPITAL INC.***(An exploration stage company)***Consolidated Statements of Financial Position****(Unaudited)****(Expressed in Canadian Dollars)**

<b>As at</b>		<b>June 30, 2022</b>	<b>December 31, 2021</b>
	<b>Notes</b>	<b>(Unaudited)</b>	
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		\$ 4,091,128	\$3,587,477
Advances receivable	<b>3</b>	30,994	
Amounts receivable	<b>4</b>	111,103	188,919
Deposits		32,297	33,492
Prepaid expenses		290,625	56,857
		<b>4,556,147</b>	<b>3,866,745</b>
<b>Non-current assets</b>			
Investments	<b>5</b>	364,807	496,578
Equipment and vehicles	<b>6</b>	116,523	143,457
Mineral interests	<b>7</b>	201,662	201,105
		<b>682,992</b>	<b>841,140</b>
<b>TOTAL ASSETS</b>		<b>\$ 5,239,139</b>	<b>\$ 4,707,885</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	<b>10</b>	\$ 558,452	\$ 586,843
Advances for Exploration Programs	<b>3</b>	1,016,093	-
Short-term loan	<b>8</b>	60,000	60,000
<b>TOTAL LIABILITIES</b>		<b>1,634,545</b>	<b>646,843</b>
<b>EQUITY</b>			
Share capital	<b>11</b>	53,869,904	53,826,494
Contributed surplus		9,094,652	9,094,652
Stock options reserve		1,550,993	1,427,106
Accumulated other comprehensive income		(160,294)	(18,343)
Deficit		(60,750,661)	(60,268,867)
<b>TOTAL EQUITY</b>		<b>3,604,594</b>	<b>4,061,042</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>\$ 5,239,139</b>	<b>\$ 4,707,885</b>

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

These condensed interim consolidated financial statements are authorized for issue by the Board of Directors on August 24, 2022.

The are signed on the Company's behalf by:

*/s/ Michael Calyniuk, Director*

*/s/ Teo Dechev, Director*

**MUNDORO CAPITAL INC.***(An exploration stage company)***Consolidated Statements of Loss and Comprehensive Loss****(Unaudited)****(Expressed in Canadian Dollars)**

	Note	For the three months ended		For the six months ended	
		June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
<b>Exploration and project evaluation</b>	<b>9</b>	<b>\$ 975,851</b>	<b>\$ 865,848</b>	<b>\$ 1,924,627</b>	<b>\$ 1,705,351</b>
Less: recoveries		<b>(969,915)</b>	<b>(646,317)</b>	<b>(1,744,245)</b>	<b>(1,277,951)</b>
		<b>5,936</b>	<b>219,531</b>	<b>180,382</b>	<b>427,400</b>
Fees earned	<b>3</b>	<b>(323,441)</b>	<b>(64,632)</b>	<b>(367,809)</b>	<b>(127,795)</b>
<b>EXPENSES</b>					
Corporate governance		<b>77,635</b>	<b>64,975</b>	<b>160,362</b>	<b>108,699</b>
General and administrative		<b>55,650</b>	<b>25,928</b>	<b>72,215</b>	<b>52,837</b>
Accounting and audit		<b>60,795</b>	<b>60,851</b>	<b>105,626</b>	<b>92,212</b>
Corporate communication		<b>72,690</b>	<b>40,918</b>	<b>115,028</b>	<b>70,251</b>
		<b>266,770</b>	<b>192,672</b>	<b>453,231</b>	<b>323,999</b>
<b>LOSS (INCOME) BEFORE OTHER EXPENSES</b>		<b>(50,735)</b>	<b>347,571</b>	<b>265,804</b>	<b>623,604</b>
<b>OTHER (INCOME) EXPENSES</b>					
Interest and other income		<b>(1,430)</b>	<b>(1,548)</b>	<b>(2,084)</b>	<b>(22,695)</b>
Share-based payments		<b>-</b>	<b>141,600</b>	<b>123,887</b>	<b>161,556</b>
Depreciation	<b>6</b>	<b>10,492</b>	<b>14,711</b>	<b>20,344</b>	<b>30,125</b>
Change in fair value of investments		<b>160,765</b>	<b>76,204</b>	<b>131,771</b>	<b>(106,569)</b>
Foreign exchange (gain) loss		<b>(67,928)</b>	<b>(7,912)</b>	<b>(57,928)</b>	<b>169,667</b>
		<b>101,899</b>	<b>223,055</b>	<b>215,990</b>	<b>232,084</b>
<b>NET LOSS (INCOME) FOR THE PERIOD</b>		<b>\$ 51,164</b>	<b>\$ 570,626</b>	<b>\$ 481,794</b>	<b>\$ 855,688</b>
<b>OTHER COMPREHENSIVE (INCOME) LOSS WHICH MAY BE RE-CLASSIFIED TO PROFIT OR LOSS IN SUBSEQUENT PERIODS</b>					
Foreign currency translation differences for foreign operations		<b>454,391</b>	<b>(124,477)</b>	<b>141,951</b>	<b>(150,193)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>\$ 505,555</b>	<b>\$ 446,149</b>	<b>\$ 623,745</b>	<b>\$ 705,495</b>
<b>Loss per share</b>					
Basic and diluted gain (loss) per share:		<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Consolidated Statements of Change in Equity

(Unaudited)

(Expressed in Canadian Dollars)

	Share capital		Reserves				Total
	Number of shares	Amount	Contributed Surplus	Stock options reserve	Accum. Other Comprehensive Income and loss	Deficit	
<b>Balance at December 31, 2020</b>	<b>81,445,001</b>	<b>\$ 50,384,465</b>	<b>\$ 8,994,887</b>	<b>\$ 1,205,763</b>	<b>\$ (74,023)</b>	<b>\$ (58,303,991)</b>	<b>\$ 2,207,101</b>
Units issued for cash-private placement	19,287,500	3,086,000	-	-	-	-	3,086,000
Units issued for cash-stock option	1,233,462	150,350	99,765	(99,765)	-	-	150,350
Units issued for cash-warrant	1,500,926	300,185	-	-	-	-	300,185
Share issue costs	-	(94,506)	-	-	-	-	(94,506)
Share-based payments (Note 11 (b))	-	-	-	321,108	-	-	321,108
Net comprehensive loss for the year	-	-	-	-	55,680	(1,964,876)	(1,909,196)
<b>Balance at December 31, 2021</b>	<b>103,466,889</b>	<b>\$ 53,826,494</b>	<b>\$ 9,094,652</b>	<b>\$ 1,427,106</b>	<b>\$ (18,343)</b>	<b>\$ (60,268,867)</b>	<b>\$ 4,061,042</b>
<b>Balance at December 31, 2021</b>	<b>103,466,889</b>	<b>\$ 53,826,494</b>	<b>\$ 9,094,652</b>	<b>\$ 1,427,106</b>	<b>\$ (18,343)</b>	<b>\$ (60,268,867)</b>	<b>\$ 4,061,042</b>
Units issued for cash-stock option	338,667	43,410	-	-	-	-	43,410
Share-based payments (Note 11 (b))	-	-	-	123,887	-	-	123,887
Net comprehensive loss for the period	-	-	-	-	141,951	481,794	623,745
<b>Balance at June 30, 2022</b>	<b>103,805,556</b>	<b>\$ 53,869,904</b>	<b>\$ 9,094,652</b>	<b>\$ 1,550,993</b>	<b>\$ (160,294)</b>	<b>\$ (60,750,661)</b>	<b>\$ 3,604,594</b>

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

**MUNDORO CAPITAL INC.***(An exploration stage company)***Consolidated Statements of Cash Flows****(Unaudited)****(Expressed in Canadian Dollars)**

	Note	For the six months ended	
		June 30, 2022	June 30, 2021
<b>Cash flows provided from (used in):</b>			
<b>OPERATING ACTIVITIES</b>			
<b>Net Income (loss) for the period</b>	\$	(481,794)	\$ (855,688)
<b>Adjustments for items not affecting cash:</b>			
Depreciation		10,492	27,459
Share-based payments		123,887	184,106
Foreign exchange (gain) loss		131,771	169,667
Change in fair value of investments	5	(57,928)	(106,569)
		<b>(273,572)</b>	<b>(581,025)</b>
<b>Net changes in non-cash working capital items:</b>			
Amounts receivable		70,435	(196,769)
Advances receivable		(30,994)	-
Prepaid expenses		(233,608)	(71,046)
Deposits		-	(18,724)
Accounts payable and accrued liabilities		(10,624)	228,077
Advances from For Exploration Programs		985,099	(264,490)
<b>Net cash provided by (used in) operating activities</b>		<b>506,736</b>	<b>(903,977)</b>
<b>FINANCING ACTIVITIES</b>			
Funds transferred from escrow, net of costs		-	-
Issuance of common shares for cash, net of share issue costs		-	3,086,000
Issuance of common shares for cash, stock option exercise		43,410	105,600
Share issuance cost		-	(94,507)
Proceeds from government loan		-	40,000
<b>Net cash flows from financing activities</b>		<b>43,410</b>	<b>3,137,093</b>
<b>INVESTING ACTIVITIES</b>			
Expenditures on resource properties		-	(116,703)
Purchase of equipment		(964)	(9,670)
Proceeds from disposition of assets		-	11,603
Restricted cash		-	-
<b>Net cash flows from investing activities</b>		<b>(964)</b>	<b>(114,770)</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>		<b>(45,531)</b>	<b>(9,514)</b>
<b>Net increase in cash and cash equivalents</b>		<b>503,651</b>	<b>2,108,832</b>
<b>Cash and cash equivalents, beginning of period</b>		<b>3,587,477</b>	<b>2,083,665</b>
<b>Cash and cash equivalents, end of period</b>	\$	<b>4,091,128</b>	\$ <b>4,192,497</b>

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

## MUNDORO CAPITAL INC.

(An exploration stage company)

### Notes to the Condensed Interim Consolidated Financial Statements

June 30, 2022

(Unaudited)

(Expressed in Canadian Dollars)

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#### 1. NATURE OF OPERATIONS

Mundoro Capital Inc. (“**Company**”, “**MCI**”, and “**Mundoro**”) was incorporated on March 6, 2008 under the Business Corporations Act of the Province of British Columbia and is a Canadian based mineral acquisition, exploration and development company (see discussion under “**Summary of Activities**”). The Company’s common stock is quoted on the TSX Venture Exchange (“**TSXV**”) under the symbol MUN. The Company’s head office and principal address is 14th floor - 1040 West Georgia Street, Vancouver, British Columbia, Canada V6E 4H1. The business of exploration and development involves a high degree of risk and there can be no assurance that current exploration and development programs will result in discovery or future profitable operations.

#### 2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

**a) Statement of compliance with International Financial Reporting Standards**

These unaudited condensed interim consolidated financial statements of the Company have been prepared in accordance with International Accounting Standard 34 – Interim Financial Reporting (“IAS 34”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is, therefore, recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2021. The accounting policies applied by the Company in these financial statements are consistent with those of the previous financial years, with the exception of the Company’s investments, which are recognized at fair value with the adoption of IFRS 9 as discussed below.

**b) Basis of preparation**

These unaudited condensed interim consolidated financial statements have been prepared on a historical cost basis except for the Company’s investments which are recognized at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

**c) Management judgements and key sources of estimation uncertainty**

The preparation of financial statements in conformity with IFRS requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are regularly evaluated and are based on management’s experience and other factors including expectations about future events that are believed to be reasonable under the circumstances.

Judgment is required in assessing whether certain factors would be considered an indicator of impairment. Both internal and external information are considered to determine whether there is an indicator of impairment present and therefore, whether impairment testing is required.

#### 3. THIRD PARTY FUNDED EXPLORATION PROGRAMS

Amounts received from third parties earning into a license(s) are netted against the exploration expenditures on the applicable licenses and recognized in the Company’s statement of loss. Any advances received for future exploration work or any reimbursable funds expended by the Company are recognized separately in the statement of financial position. Operator fees earned as the designated operator of the projects are recognized in the Company’s statement of loss. Where Mundoro is contractually entitled to the advance payments, those amounts are treated as contract assets under IFRS 15 and are accordingly shown as advances receivable with an offset to advances for the exploration programs.

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#### 4. AMOUNTS RECEIVABLE

	June 30, 2022		December 31, 2021
Amounts receivable			
VAT/GST receivable	\$ 108,043	\$	150,117
Receivable for Exploration Programs	-		29,802
Other receivable	3,060		-
	<b>\$ 111,103</b>	<b>\$</b>	<b>188,919</b>

#### 5. INVESTMENTS

On June 10, 2013, the Company, through a 100%-owned subsidiary, acquired at a cost of \$280,853, a 2.9% equity interest in a privately held gold producing company in Bulgaria. As at June 30, 2022, the fair value of such equity investment was determined to be \$364,807 (December 31, 2021 - \$496,578), resulting in a decrease in fair value of this investment of \$131,771 in the Company's statement of loss.

#### 6. EQUIPMENT AND VEHICLES

Cost	Office equipment		Field equipment		Total
<b>As at December 31, 2020</b>	<b>\$ 51,778</b>	<b>\$</b>	<b>466,038</b>	<b>\$</b>	<b>517,816</b>
Additions	30,430		-		30,430
Disposals	-		(67,157)		(67,157)
Effect of movements in exchange rates	7,214		(34,045)		(26,831)
<b>As at December 31, 2021</b>	<b>\$ 89,422</b>	<b>\$</b>	<b>364,836</b>	<b>\$</b>	<b>454,258</b>
Additions	964		-		964
Disposals	-		-		-
Effect of movements in exchange rates	(3,829)		(22,432)		(26,261)
<b>As at June 30, 2022</b>	<b>\$ 86,557</b>	<b>\$</b>	<b>342,404</b>	<b>\$</b>	<b>428,961</b>

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#### 6. EQUIPMENT AND VEHICLES (CONTINUED)

##### Accumulated depreciation

<b>As at December 31, 2020</b>	\$	<b>(46,090)</b>	\$	<b>(282,542)</b>	\$	<b>(328,632)</b>
Depreciation for the year		(19,357)		(31,594)		(50,951)
Disposal		-		45,557		45,557
Effect of movements in exchange rates		2,175		21,050		23,225
<b>As at December 31, 2021</b>	\$	<b>(63,272)</b>	\$	<b>(247,529)</b>	\$	<b>(310,801)</b>
Depreciation for the period		(5,438)		(5,054)		(10,492)
Disposal		-		-		-
Effect of movements in exchange rates		2,533		6,322		8,855
<b>As at June 30, 2022</b>	\$	<b>(66,177)</b>	\$	<b>(246,261)</b>	\$	<b>(312,438)</b>

##### Net book amount

As at December 31, 2021	\$	26,150	\$	117,307	\$	143,457
<b>As at March 31, 2022</b>	\$	<b>20,380</b>	\$	<b>96,143</b>	\$	<b>116,523</b>

#### 7. MINERAL INTERESTS

		Serbia	Bulgaria	USA/Mexico	Total
<b>Balance as at December 31, 2020</b>	\$	<b>65,789</b>	\$ <b>1,186</b>	\$ <b>5,499</b>	\$ <b>72,474</b>
Acquisition costs		16,623	14,236	102,629	133,488
Write-down		-	-	-	-
Effect of movements in exchange rates		(4,685)	-	(172)	(4,857)
<b>Balance at December 31, 2021</b>	\$	<b>77,727</b>	\$ <b>15,422</b>	\$ <b>107,956</b>	\$ <b>201,105</b>
Acquisition costs		-	-	-	-
Write-down		-	-	-	-
Effect of movements in exchange rates		(3,274)	-	3,831	557
<b>Balance at June 30, 2022</b>	\$	<b>74,453</b>	\$ <b>15,422</b>	\$ <b>111,787</b>	\$ <b>201,662</b>

##### Serbian Properties

The Company holds, through its Serbian subsidiaries, the following 100%-owned exploration licenses: Zeleznik Crvena Zemlja, Padina, Odej, Bobot, Oblez, Skorusa, Branik, Kotlenik, Ponor, and Vitanovac. These licenses are located in northeastern Serbia and central Serbia. To maintain title to the exploration licenses in Serbia, the Company has ongoing annual exploration expenditure commitments and is obligated to pay annual property taxes associated with maintaining the properties in good standing. As of March 31, 2022, such property payments amounted to \$37,185 (2021 - \$29,614).

In March 2022, Mundoro entered into a letter of intent with a third-party major miner to earn into the Company's GT7 property ("GT7 LOI"). The GT7 property is a copper-gold target located in the northern portion of the Serbo-Macedonian Metallogenic province, in central Serbia.



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## 7. MINERAL INTERESTS (CONTINUED)

Mundoro entered into an Agreement with Japan Oil, Gas and Metals National Corporation (“**JOGMEC**”) which included the Borsko license (“**JOGMEC-Mundoro JV Project**”) in 2016. During Stage One (March 2016 – March 2019) of the Earn-in, JOGMEC sole-funded US\$4 million of exploration expenditures. From March 2016 to April 2020, JOGMEC sole funded a cumulative total of US\$5.8 million (C\$8.1million) under the Agreement and completed the earn-in for a 51% interest in the project. In Q2-2020, Mundoro exercised the option to acquire a 2% interest in the project from JOGMEC (increasing Mundoro’s interest to 51%) for a nominal consideration. The project is now at a proportionate funding stage and Mundoro is the operator.

In Q4 2019, the Company announced it had entered into an earn-in agreement (the “**Earn-in Agreement**”) with Vale Canada Limited (“**Vale**”), in which Mundoro granted to Vale over two phases (“**Phase One and Phase Two**”) an option to earn up to a 75% interest in four of its exploration licenses: Skorusa, Oblez, Branik and Padina (the “**Vale-Mundoro Projects**”) by sole funding expenditures of up to US\$50 million. The Vale-Mundoro Projects are located within the Timok Magmatic Complex (“**Timok**”). Phase One provides Vale the option to earn a 51% in the Vale-Mundoro Projects by sole-funding US\$5 million in expenditures over 3 years. Following Phase One, Vale has the option, exercisable within 60 days, to elect to enter Phase Two, whereupon it can earn an additional 24% interest in the Vale-Mundoro Projects, for a total of 75% interest, by sole-funding an additional US\$45 million in expenditures (the “**Phase Two Option**”) by the fifth anniversary of the election date. If either party dilutes below 10%, their interest will convert into a 2% NSR of which up to 1% NSR will be re-purchasable.

In Q3-2021, Mundoro completed and entered into an option agreement (“**Option Agreement**”) with Vale, in which Mundoro has granted to Vale an option on two exploration licenses (“**Option Projects**”) in Timok, Serbia. These Option Projects are in addition to the **Vale-Mundoro Projects** which Vale is currently earning into in Timok, Serbia.

### Bulgarian Properties

In Q1 2019, Mundoro entered into a Generative Program Agreement (the “**Generative Agreement**”) in the Republic of Bulgaria (“**Bulgaria**”) with Japan Oil, Gas and Metals National Corporation (“**JOGMEC**”). JOGMEC has designated a few properties as Designated Projects to proceed to the next stage of the Generative Agreement (“**JOGMEC Designated Project**”). Mundoro has a number of applications at the Bulgarian Ministry of Energy for areas of exploration that were selected as Designated Projects. In Q4-2021, a contract was signed with the Bulgarian Ministry of Energy for one of the JOGMEC Designated Projects located in western Bulgaria. In September 2017, the Company’s local subsidiary in Bulgaria was announced as the winner of the Svoboda tender process. Certain legal and administrative procedures must be completed in order for an exploration contract to be entered into between the Company’s subsidiary and the Ministry of Energy. The Company continues to coordinate with the responsible Ministries in order to advance its applications.

### USA Properties

In Q4-2021, Mundoro and Vale entered into a Generative Alliance. Under the terms of the Generative Alliance, which has an initial term of two years, Vale will annually sole-fund the generative work performed by MUN within the Area of Interest (“**AOI**”) that consists of the states of Arizona and New Mexico. Mundoro will be the operator of the exploration activities while Vale sole funds the Work Program and Budget in order to identify projects suitable for designation as Designated Projects. Mundoro will earn a Management Fee to operate the Generative Alliance. Each Designated Project will be covered by a separate option agreement pursuant to which Vale can acquire 100% of the Designated Project through: (i) sole-funding exploration expenditures during the option period, being up to US\$1,500,000 over two years or US\$2,500,000 over three years, (ii) make property payments during the option period of up to US\$500,000 over the three years, (iii) upon completion of the option exercise, make cash payments to Mundoro which combined equate to US\$9,000,000 over four milestones starting at an initial resources statement for the Designated Project and ending with receipt of permits and licenses necessary to commence construction, and (iv) as part of the option exercise, grant to Mundoro of a 2% NSR on the Designated Project, which includes annual advance royalty payments of US\$200,000 through

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to commercial production. In Q1-2022, Mundoro and Vale entered into a definitive agreement for the Dos Cabezas property, in Arizona.

#### Other Properties

The Company owns 100% interest in the Camargo Project, a porphyry copper-gold deposit located in Southeastern Chihuahua State, Mexico. To maintain the Camargo mineral concession, the Company has an ongoing annual exploration expenditure commitment and is obligated to pay approximately \$8,000 semi-annually in government property tax payments.

#### 8. SHORT-TERM LOAN

In February 2021, the Company was approved for and received a \$60,000 line of credit ("CEBA loan") under the Canada Emergency Business Account (CEBA) program funded by the Government of Canada. The CEBA loan is non-interest bearing and can be repaid without penalty at any time. On December 31, 2021, the outstanding balance on the CEBA loan was automatically converted to a 2-year interest free term loan. If \$40,000 of the CEBA loan is repaid on or before December 31, 2023, the repayment of the remaining \$20,000 will be forgiven and the Company would record it as interest and other income.

#### 9. EXPLORATION AND PROJECT EVALUATION

The following is a summary of expenditures incurred on the Company's projects during the periods:

	Serbia	Bulgaria	USA	Total
<b>For the six months ended June 30, 2022</b>				
Project Administration <sup>1</sup>	\$ 119,617	\$ 47,181	\$ -	\$ 166,798
Land holding <sup>2</sup>	36,390	-	224,635	261,025
Government and community relations <sup>3</sup>	44,661	41,920	11,437	98,018
Field related <sup>4</sup>	105,056	3,682	196,529	305,267
Personnel <sup>5</sup>	222,994	75,803	236,855	535,652
Technical services <sup>6</sup>	303,860	7,111	-	310,971
Project evaluation <sup>7</sup>	101,370	26,911	118,615	246,896
Total expenditures	933,948	202,608	788,071	1,924,627
Less: recoveries	(830,482)	(151,540)	(762,223)	(1,744,245)
	<b>\$ 103,466</b>	<b>\$ 51,068</b>	<b>\$ 25,848</b>	<b>\$ 180,382</b>

	Serbia	Bulgaria	Other	Total
<b>For the six months ended June 30, 2021</b>				
Project Administration <sup>1</sup>	\$ 112,419	\$ 45,615	\$ -	\$ 158,034
Land holding <sup>2</sup>	22,902	-	-	22,902
Government and community relations <sup>3</sup>	35,953	17,328	-	53,281
Field related <sup>4</sup>	119,311	10,187	-	129,498
Personnel <sup>5</sup>	334,939	48,890	-	383,829
Technical services <sup>6</sup>	788,408	-	-	788,408
Project evaluation <sup>7</sup>	124,171	19,492	25,736	169,399
Total expenditures	1,538,103	141,512	25,736	1,705,351
Less: recoveries	(1,277,951)	-	-	(1,277,951)
	<b>\$ 260,152</b>	<b>\$ 141,105</b>	<b>\$ 25,736</b>	<b>\$ 427,400</b>

<sup>1</sup> Project Administration expenses include administrative, accounting and legal costs related to the projects.

## MUNDORO CAPITAL INC.

(An exploration stage company)

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June 30, 2022

(Unaudited)

(Expressed in Canadian Dollars)

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- <sup>2</sup> Land holding costs include property taxes and related costs associated with holding the properties.
- <sup>3</sup> Government and community relations relates to the costs of communicating with governing bodies in the local jurisdictions.
- <sup>4</sup> Field related expenses include items such as field equipment costs and lodging for field personnel.
- <sup>5</sup> Personnel costs for conducting exploration work include consultants and employees, full-time and allocated.
- <sup>6</sup> Technical Services expenditures include activities such as geochemical sampling and assaying, geophysical surveys and interpretation, and drilling and assaying.
- <sup>7</sup> Project evaluation expenditures capture those costs incurred in analysis of existing mineral projects and evaluating new mineral project opportunities.

#### 10. ACCOUNTS PAYABLE, ADVANCES AND ACCRUED LIABILITIES

	June 30, 2022		December 31, 2021	
Trade payables	\$	404,158	\$	434,488
Accrued liabilities		154,294		152,355
	\$	558,452	\$	586,843

#### 11. SHARE CAPITAL

##### a) Authorized share capital

Unlimited number of common shares without par value.

##### b) Issued share capital

At June 30, 2022, there were 103,805,556 issued and fully paid common shares (December 31, 2021 – 103,466,889).

In February 2021, the Company closed a private placement of 19,287,500 units at a price of \$0.16 per units for gross proceeds of \$3,086,000. Each unit is comprised of one common share and one half of one common share purchase warrant with each whole warrant entitling the holder to acquire one common share of the Company at an exercise price of \$0.30 for a period of 24 months. A total of \$60,000 was paid as a finder's fee to certain qualified registrants equal to 6% of the gross proceeds raised by such finders. Total costs incurred by the Company in connection with the private placement amounted to \$94,506.

During the period ended June 30, 2022, stock options for 338,667 shares were exercised at a prices between \$0.11 to \$0.13 per share for cash proceeds of \$43,410.

##### c) Stock options

The continuity of stock options during the period ended June 30, 2022 and the year ended December 31, 2021 was as follows:

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	June 30, 2022		December 31, 2021	
	Number outstanding	Weighted average exercise price	Number outstanding	Weighted average exercise price
<b>Opening Balance</b>	<b>7,723,205</b>	<b>\$ 0.17</b>	6,662,500	\$ 0.14
Granted	1,725,000	0.175	2,650,000	0.23
Exercises	(338,667)	0.13	(1,233,462)	0.12
Expired	(1,363,538)	0.16	-	-
Forfeitures	(101,000)	0.20	(355,833)	0.19
<b>Closing Balance</b>	<b>7,645,000</b>	<b>\$ 0.14</b>	7,723,205	\$ 0.17

The following summarizes information about stock options outstanding and exercisable at June 30, 2022:

Grant date	Options outstanding	Expiry Date	Unvested Options	Options exercisable	Remaining Life	Exercise price (\$)
May 23, 2018	1,020,000	May 23, 2023	-	1,020,000	0.90	0.11
May 27, 2019	1,250,000	May 27, 2024	-	1,250,000	1.91	0.12
June 30, 2020	1,290,000	June 30, 2025	430,000	860,000	3.00	0.12
May 04, 2021	2,360,000	May 04, 2026	1,573,333	786,667	3.85	0.23
February 15, 2022	1,725,000	February 15, 2027	1,150,000	575,000	4.63	0.175
	<b>7,645,000</b>		<b>3,153,333</b>	<b>4,491,667</b>	<b>2.58</b>	<b>0.14</b>

**d) Warrants**

The change in warrants during the period ended June 30, 2022 and the year ended December 31, 2021 was as follows:

	June 30, 2022		December 31, 2021	
	Number outstanding	Weighted average Exercise price	Number outstanding	Weighted average exercise price
<b>Opening balance</b>	<b>10,011,487</b>	<b>\$ 0.30</b>	6,037,987	\$ 0.20
Issued	-	-	9,643,751	0.30
Exercised	-	-	(1,500,926)	0.20
Expired	367,736	0.20	(4,169,325)	0.20
<b>Closing balance</b>	<b>9,643,751</b>	<b>\$ 0.30</b>	10,011,487	\$ 0.30

A summary of the Company's warrants outstanding as at June 30, 2022 is as follows:

Issuance date	Warrants outstanding	Price per share	Expiry date
February 11, 2021	9,643,750	0.30	February 11, 2023

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#### 12. RELATED PARTY TRANSACTIONS AND BALANCES

##### a) Related party balances

The balances due to related parties included in accounts payables and accrued liabilities were \$13,969 as at June 30, 2022 (December 31, 2021 – \$31,038). These amounts are for reimbursement of expenses and service fees.

##### b) Related party transactions

Expenses by nature:	For the three months ended		For the six months ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Directors' fees	\$ 30,654	\$ 18,475	\$ 69,654	\$ 34,400
Short-term management salaries and benefits	136,329	98,692	277,105	198,196
Share based payments – Directors	-	33,670	39,707	39,281
Share based payments – Management	-	35,360	30,240	40,486
	\$ 166,983	\$ 186,197	\$ 416,706	\$ 312,363

#### 13. SEGMENTED INFORMATION

The Company's total assets and net losses by geographic segment are as follows:

	Canada/USA	Mexico	Europe	Total
<b>Assets</b>				
As at June 30, 2022				
Non-current	\$ 143,059	\$ 5,404	\$ 534,529	\$ 682,992
Current	4,080,481	22,467	453,199	4,556,147
<b>Total assets</b>	\$ 4,223,540	\$ 27,871	\$ 987,728	\$ 5,239,139
As at December 31, 2021				
Non-current	\$ 139,561	\$ 5,327	\$ 696,252	\$ 841,140
Current	3,444,150	22,147	400,448	3,866,745
<b>Total assets</b>	\$ 3,583,711	\$ 27,474	\$ 1,096,700	\$ 4,707,885
<b>Net loss (income):</b>				
For the period ended June 30, 2022	\$ 219,029	\$ -	\$ 262,765	\$ 481,794
For the period ended June 30, 2021	\$ 49,872	\$ -	\$ 805,816	\$ 855,688