



Cleghorn Minerals Ltd.

Interim Condensed Financial Statements
**For the three-month and six-month periods ended on
September 30, 2023 and 2022**
(in Canadian dollars)



INTERIM CONDENSED FINANCIAL STATEMENTS

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Notice to Reader

The accompanying unaudited interim condensed financial statements of Cleghorn Minerals Ltd. (the "Company") for the three-month and six-month periods ended on September 30, 2023 and 2022 have been prepared by the management and are its responsibility. These unaudited interim condensed financial statements, together with the accompanying notes, have been reviewed and approved by the members of the Company's Board of Directors. These unaudited interim condensed financial statements have not been reviewed by the Company's auditors.

Cleghorn Minerals Ltd.

Interim Condensed Statements of Financial Position

As at September 30, 2023 and March 31, 2023

(in Canadian dollars)

		September 30, 2023	March 31, 2023
	Notes	\$	\$
ASSETS			
Current assets			
Cash		37,648	26,243
Sales taxes receivable		4,582	2,645
Prepaid expenses		10,622	8,715
TOTAL ASSETS		52,852	37,603
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		-	3,687
TOTAL LIABILITIES		-	3,687
EQUITY			
Share capital	5	2,442,444	2,337,682
Contributed surplus	6	610,601	610,601
Warrants	5	5,238	-
Deficit		(3,005,431)	(2,914,367)
TOTAL EQUITY		52,852	33,916
TOTAL LIABILITIES AND EQUITY		52,852	37,603
Going concern uncertainty	2		

These interim condensed financial statements were approved and authorized for issue by the Board of Directors on October 13, 2023.

Signed: "Glenn J. Mullan" Director

Signed: "Joseph Groia" Director

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

Cleghorn Minerals Ltd.

Interim Condensed Statements of Loss and Comprehensive Loss

For the three-month and six-month periods ended on September 30, 2023 and 2022

(in Canadian dollars)

	Three-month periods ended		Six-month periods ended	
	September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
Notes	\$	\$	\$	\$
General and administrative expenses				
Accounting fees	7,500	7,500	15,000	15,000
Audit fees	10,450	5,200	20,900	15,600
Legal fees	11,484	12,140	12,870	13,205
Regulatory and transfer agent fees	6,632	3,442	13,116	9,471
Office expenses and other	5,191	2,488	11,978	7,926
Shareholder's information	1,851	1,330	1,851	1,330
Stock-based compensation	6	73,200	-	73,200
	43,108	105,300	75,715	135,732
Net loss and comprehensive loss	(43,108)	(105,300)	(75,715)	(135,732)
Basic and diluted net loss per common share	(0.001)	(0.004)	(0.002)	(0.005)
Weighted average number of common shares outstanding (basic and diluted)	30,965,733	29,408,618	31,503,854	29,408,618

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

Cleghorn Minerals Ltd.

Interim Condensed Statements of Changes in Equity

For the six-month periods ended on September 30, 2023 and 2022

(in Canadian dollars)

		Share capital		Warrants	Contributed surplus	Deficit	Total
	Notes	Number	\$	\$	\$	\$	\$
Balance – April 1st, 2022		29,408,618	2,337,682	26,383	511,018	(2,741,674)	133,409
Expired warrants		-	-	(26,383)	26,383	-	-
Stock-based compensation		-	-	-	73,200	-	73,200
Net loss and comprehensive loss		-	-	-	-	(135,732)	(135,732)
Balance – September 30, 2022		29,408,618	2,337,682	-	610,601	(2,877,406)	70,877
Balance – April 1st, 2023		29,408,618	2,337,682	-	610,601	(2,914,367)	33,916
Issuance of shares under a private placement	5	2,095,236	104,762	5,238	-	-	110,000
Share issuance costs	5	-	-	-	-	(15,349)	(15,349)
Net loss and comprehensive loss		-	-	-	-	(75,715)	(75,715)
Balance – September 30, 2023		31,503,854	2,442,444	5,238	610,601	(3,005,431)	52,852

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

Cleghorn Minerals Ltd.

Interim Condensed Statements of Cash Flows

For the three-month and six-month periods ended on September 30, 2023 and 2022

(in Canadian dollars)

	Notes	Three-month periods ended		Six-month periods ended	
		September 30, 2023	September 30, 2022	September 30, 2023	September 30, 2022
		\$	\$	\$	\$
Operating activities					
Net loss for the period		(43,108)	(105,300)	(75,715)	(135,732)
Items not affecting cash					
Stock-based compensation	6	-	73,200	-	73,200
		(43,108)	(32,100)	(75,715)	(62,532)
Change in non-cash working capital items					
Sales taxes receivable		153	(1,279)	(1,937)	(1,832)
Prepaid expenses		(6,338)	(6,466)	(1,907)	(2,162)
Accounts payable and accrued liabilities		(1,310)	(11,879)	(3,687)	78
		(7,495)	(19,624)	(7,531)	(3,916)
Net cash related to operating activities		(50,603)	(51,724)	(83,246)	(66,448)
Financing activities					
Issuance of shares under a private placement	5	-	-	110,000	-
Share issuance costs	5	-	-	(15,349)	-
Net cash related to financing activities		-	-	94,651	-
Net increase (decrease) in cash during the period		(50,603)	(51,724)	11,405	(66,448)
Cash – Beginning of period		88,251	107,890	26,243	122,614
Cash – End of period		37,648	56,166	37,648	56,166

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

Cleghorn Minerals Ltd.

Notes to Interim Condensed Financial Statements

September 30, 2023 and 2022 and March 31, 2023

(in Canadian dollars)

1 Nature of operations

Cleghorn Minerals Ltd., incorporated on February 16, 2010 under the Business Corporations Act of British Columbia (the "Company") is involved in the process of exploring, evaluating and promoting its mineral property and other projects. The head office of the Company is located at 152 Chemin de la Mine École, Val d'Or, Québec, Canada. The Company's registered and records office is located at #1810 - 1111 West Georgia Street, Vancouver, B.C. V6E 4M3. The Company also has exploration offices located at 2864 Chemin Sullivan, Val-D'Or, Quebec, J9P 0B9.

The Company's shares, which are listed on the TSX Venture Exchange ("TSX-V"), are trading under the symbol "CZZ".

2 Going concern uncertainty

These interim condensed financial statements have been prepared on a going concern basis, which presumes the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the ordinary course of business for the foreseeable future. The use of these principles may not be appropriate. The Company is in its early stages, and as is common with similar companies, it raises financing for its exploration and evaluation activities. During the six-month period ended September 30, 2023, the Company incurred a net loss and comprehensive loss of \$75,715 (for the year ended March 31, 2023 – \$172,693) and has an accumulated deficit of \$3,005,431 (for the year ended March 31, 2023 – \$2,914,367). To date, the Company has financed its cash requirements primarily by issuing common shares or units. The Company's ability to continue as a going concern is subject to its ability to raise additional financing or reduce its expenditure levels. The Company's discretionary activities do have some scope for flexibility in terms of the amount and timing of expenditures, and to a certain extent, expenditures may be adjusted accordingly.

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, 12 months from the end of the reporting period. Management has assessed its liquidity needs and estimates that these funds will not be sufficient to meet the Company's obligations, budgeted expenditures and commitments through September 30, 2024. Based on the extent of the Company's current stage and anticipated plan, the Company will need to raise additional financing within the next 6-9 months, and those facts cast significant doubt on the Company's ability to continue as a going concern. While Management has been successful in securing financing in the past, there can be no assurance it will be able to do so in the future, that such sources of funding will be available to the Company or that they will be available on terms acceptable to the Company.

If management is unable to obtain new funding, the Company may be unable to continue its operations, and amounts realized for assets might be less than amounts reflected in these financial statements.

These financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

Cleghorn Minerals Ltd.

Notes to Interim Condensed Financial Statements

September 30, 2023 and 2022 and March 31, 2023

(in Canadian dollars)

3 Basis of presentation

These interim condensed financial statements, approved by the Board of Directors on October 13, 2023, have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including IAS 34, "Interim Financial Reporting". These interim condensed financial statements as well as the related notes should be read in conjunction with the audited financial statements of the Company as at March 31, 2023.

4 Significant accounting policies

The significant accounting policies that have been applied in the preparation of these interim condensed financial statements are summarized in Note 4 of the Company's annual audited financial statements for the year ended March 31, 2023.

5 Share capital

Authorized

Unlimited number of voting common shares without par value.

Transaction on capital

On May 18, 2023, the Company issued 2,095,236 units at a price of \$0.0525 per unit for total proceeds of \$110,000. Each unit comprises one common share in the capital of the Company and one non-transferable common share purchase warrant, each warrant entitling the holder to purchase one common share in the capital of the Company at a price of \$0.07 per share until May 18, 2025. A value of \$5,238 was allocated to the warrants using the residual value. The Company incurred a total of \$15,349 in share issuance costs as part of this financing which were recorded under deficit in the interim condensed statements of changes in equity.

Warrants

The following table shows the changes in warrants:

	September 30, 2023		March 31, 2023	
	Number of warrants	Weighted average exercise price \$	Number of warrants	Weighted average exercise price \$
Outstanding – Beginning of period	-	-	6,450,000	0.10
Issued	2,095,236	0.07	-	-
Expired	-	-	(6,450,000)	0.10
Outstanding and exercisable – End of period	2,095,236	0.07	-	-

Cleghorn Minerals Ltd.

Notes to Interim Condensed Financial Statements

September 30, 2023 and 2022 and March 31, 2023

(in Canadian dollars)

The number of outstanding warrants that could be exercised for an equal number of common shares is as follows:

Expiry date	Exercise price \$	Number outstanding
May 18, 2025	0.07	2,095,236

6 Stock options

The Company has adopted an incentive stock option plan in accordance with the policies of the TSX-V (the "Stock Option Plan") pursuant to which it has granted options to purchase common shares to directors, officers and technical consultants. The options will be exercisable at the price set by the Company's Board of Directors and for a period of up to ten years from the date of grant, provided that the number of common shares reserved for issuance under the Share Option Plan does not exceed ten percent (10%) of the issued and outstanding common shares of the Company on the date of grant, provided that the option exercise price is not to be lower than permitted under the policies of the TSX-V.

The following table shows the changes in stock options:

	September 30, 2023	March 31, 2023		
	Number of stock options	Weighted average exercise price \$	Number of stock options	Weighted average exercise price \$
Outstanding – Beginning of period	2,810,861	0.09	1,590,861	0.09
Granted	-	-	1,220,000	0.10
Outstanding and exercisable – End of period	2,810,861	0.09	2,810,861	0.09

The fair value of stock options granted was determined using the Black & Scholes valuation model based on the following assumptions:

	March 31, 2023
Price at the grant date	\$0.07
Exercise price	\$0.10
Expected dividend	-
Expected volatility	128%
Risk-free interest rate	3.58%
Expected life	5 years
Fair value per stock option	\$0.06

The underlying expected volatility was determined by reference to historical data of the Company's shares over the expected life of the options. No special feature inherent to the options granted were incorporated into measurement of fair value.

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September 30, 2023 and 2022 and March 31, 2023

(in Canadian dollars)

An expense for stock-based compensation of \$73,200 was recognized in the statement of loss and comprehensive loss during the year ended March 31, 2023.

The number of outstanding and exercisable stock options that could be exercised for an equal number of common shares is as follows:

Expiry date	Exercise price \$	Number outstanding
September 6, 2024	0.06	370,861
September 4, 2025	0.10	1,220,000
September 9, 2027	0.10	1,220,000
		2,810,861

7 Exploration and evaluation expenses

Meech Lake Matachewan Prospect

The Company owns a 100% interest in the Meech Lake Matachewan Prospect which consists of four (4) mining claims situated in the Argyle, McNeil and Robertson Townships, approximately 25 km Northwest of Matachewan, in Northeastern Ontario within the Abitibi Greenstone Belt. Following the MLAS claim to cell conversion process completed by Ontario's Ministry of Northern Development and Mines (MNDM), the four (4) original legacy claims were converted to 41 cells (36 single cells and 5 boundary cells), covering a total area of 833.6 hectares.

Three (3) of the original mining claims are subject to a 3% NSR on metals or minerals (iron, titanium, vanadium, gold, silver, copper, zinc and any and all other minerals or elements) produced from the property. The Company shall be entitled to repurchase 0.5% of the NSR, leaving the vendor with a 2.5% NSR, by paying to the vendor \$1,000,000 and an additional 1%, leaving the vendor with a 1.5% NSR, by paying the vendor an additional \$3,000,000.

As part of a funding and royalty agreement signed with Ontario Exploration Corporation, the Company granted a 0.5% NSR on its Meech Lake Matachewan Prospect.

The royalty agreement has a buyback clause which provides that the Company can purchase one-half of the 0.5% royalty for a dollar value that increases over time, ranging from a purchase price of \$15,000 before the second anniversary of the date of the agreement to a purchase price of \$250,000 from the 11th anniversary of the agreement and beyond.

During the six-month periods ended September 30, 2023 and 2022, the Company did not conduct any work on its Meech Lake Matachewan Prospect.