
**COPPER ROAD RESOURCES INC.
(FORMERLY STONE GOLD INC.)
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED MARCH 31, 2023
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

Notice to Reader

The accompanying unaudited condensed interim financial statements of Copper Road Resources Inc. (formerly Stone Gold Inc.) (the "Company") have been prepared by and are the responsibility of management. The unaudited condensed interim financial statements as at and for the three months ended March 31, 2023 have not been reviewed by the Company's auditors.

Copper Road Resources Inc. (Formerly Stone Gold Inc.)**Condensed Interim Statements of Financial Position****(Expressed in Canadian dollars)****(Unaudited)**

	As at March 31, 2023	As at December 31, 2022
ASSETS		
Current assets		
Cash	\$ 324,386	\$ 136,924
Amounts receivable and other assets (note 3)	27,250	34,781
Total assets	\$ 351,636	\$ 171,705
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Amounts payable and other liabilities (notes 4 and 11)	\$ 96,889	\$ 101,308
Total liabilities	96,889	101,308
Shareholders' equity		
Share capital (note 5)	27,018,963	26,732,842
Reserves (notes 6 and 7)	1,000,700	843,497
Accumulated deficit	(27,764,916)	(27,505,942)
Total shareholders' equity	254,747	70,397
Total liabilities and shareholders' equity	\$ 351,636	\$ 171,705

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

Nature of operations and going concern (note 1)

Subsequent event (note 13)

Copper Road Resources Inc. (Formerly Stone Gold Inc.)**Condensed Interim Statements of Loss and Comprehensive Loss****(Expressed in Canadian dollars)****(Unaudited)****Three Months Ended
March 31,
2023 2022**

Operating expenses

Exploration and evaluation expenditures (note 9)	\$ 140,424	\$ 170,795
General and administrative (note 10)	110,221	82,359
Share-based compensation (note 7)	8,329	100,495
Operating loss before the following item	(258,974)	(353,649)
Premium recovery on flow-through shares	-	21,634
Net loss and comprehensive loss for the period	\$ (258,974)	\$ (332,015)
Basic and diluted net loss per share (note 8)	\$ (0.01)	\$ (0.01)
Weighted average number of common shares outstanding (note 8)	42,932,448	40,379,229

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

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Condensed Interim Statements of Changes in Equity

(Expressed in Canadian dollars)

(Unaudited)

	Share capital	Reserves	Accumulated deficit	Total
Balance, December 31, 2022	\$ 26,732,842	\$ 843,497	\$ (27,505,942)	\$ 70,397
Shares issued through private placement (note 5(b)(ii))	400,000	-	-	400,000
Warrants (note 5(b)(ii))	(148,874)	148,874	-	-
Share issue costs	(25,755)	-	-	(25,755)
Shares issued for acquisition of mining property (note 5(b)(i))	60,750	-	-	60,750
Share-based compensation (note 7)	-	8,329	-	8,329
Net loss for the period	-	-	(258,974)	(258,974)
Balance, March 31, 2023	\$ 27,018,963	\$ 1,000,700	\$ (27,764,916)	\$ 254,747
Balance, December 31, 2021	\$ 26,428,690	\$ 829,940	\$ (25,825,402)	\$ 1,433,228
Share issued for acquisition of mining property (note 5(b)(i))	67,500	-	-	67,500
Warrants expired	-	(187,958)	187,958	-
Share-based compensation (note 7)	-	100,495	-	100,495
Net loss for the period	-	-	(332,015)	(332,015)
Balance, March 31, 2022	\$ 26,496,190	\$ 742,477	\$ (25,969,459)	\$ 1,269,208

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

Copper Road Resources Inc. (Formerly Stone Gold Inc.)**Condensed Interim Statements of Cash Flows****(Expressed in Canadian dollars)****(Unaudited)**

	Three Months Ended	
	March 31,	
	2023	2022
Operating activities		
Net loss for the period	\$ (258,974)	\$ (332,015)
Adjustments for:		
Share-based compensation (note 7)	8,329	100,495
Premium recovery on flow-through shares	-	(21,634)
Shares issued for acquisition of mining property (note 5(b)(i))	60,750	67,500
Changes in non-cash working capital items:		
Amounts receivable and other assets	7,531	6,986
Amounts payable and other liabilities	(4,419)	(6,714)
Net cash (used in) operating activities	(186,783)	(185,382)
Financing activities		
Proceeds from private placement (note 5(b)(ii))	400,000	-
Shares issue costs	(25,755)	-
Net cash provided by financing activities	374,245	-
Net change in cash	187,462	(185,382)
Cash, beginning of period	136,924	1,660,910
Cash, end of period	\$ 324,386	\$ 1,475,528

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

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

1. Nature of operations and going concern

Copper Road Resources Inc. (formerly Stone Gold Inc.) (the "Company") was incorporated by a Certificate of Incorporation issued pursuant to the provisions of the Ontario Business Corporations Act on December 13, 2002. The Company is engaged in the acquisition, exploration and evaluation of properties for the mining of precious and base metals. The primary office of the Company is located at 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

On September 14, 2022, the Company changed its corporate name from Stone Gold Inc. to Copper Road Resources Inc. The Company's shares commenced trading on the TSX Venture Exchange ("TSXV") under the new name at the opening of trading on September 15, 2022 and under the new trading symbol "CRD".

The Company has incurred a loss of \$258,974 for the three months ended March 31, 2023 (three months ended March 31, 2022 - \$332,015) and as at March 31, 2023, had an accumulated deficit of \$27,764,916 (December 31, 2022 - \$27,505,942). These conditions indicate the existence of a material uncertainty that casts significant doubt as to whether the Company can continue as a going concern.

These unaudited condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period. These unaudited condensed interim financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and classification of assets and liabilities that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

The business of acquisition, exploration and evaluation for minerals involves a high degree of risk and there can be no assurance that the current exploration programs will result in profitable operations.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company's continued existence is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development and upon future profitable production or proceeds from the disposition of these assets.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, 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 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, currency exchange fluctuations and restrictions, and political uncertainty.

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

2. Significant accounting policies

Statement of compliance

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed 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 the IASB.

The policies applied in these unaudited condensed interim financial statements are based on IFRSs issued and outstanding as of May 24, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2022, except as 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 restatement of these unaudited condensed interim financial statements.

New accounting standards adopted

IAS 1 - 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 non-current 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. The amendments are effective for annual periods beginning on January 1, 2023. At January 1, 2023, the Company adopted this standard and there was no material impact on the Company's unaudited condensed interim financial statements.

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. At January 1, 2023, the Company adopted this standard and there was no material impact on the Company's unaudited condensed interim financial statements.

3. Amounts receivable and other assets

	As at March 31, 2023	As at December 31, 2022
Sales tax receivable - Canada	\$ 17,143	\$ 21,605
Prepaid expenses	10,107	13,176
	\$ 27,250	\$ 34,781

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

4. Amounts payable and other liabilities

	As at March 31, 2023	As at December 31, 2022
Trade payables	\$ 38,337	\$ 9,307
Accrued liabilities	58,552	92,001
	\$ 96,889	\$ 101,308

The following is an aged analysis of the amounts payable and other liabilities:

	As at March 31, 2023	As at December 31, 2022
Less than 1 month	\$ 86,927	\$ 73,881
1 to 3 months	9,962	-
Greater than 3 months	-	27,427
	\$ 96,889	\$ 101,308

5. 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

As at March 31, 2023, the issued share capital amounted to \$27,018,963. Changes in issued share capital for the periods presented are as follows:

	Number of common shares	Amount
Balance, December 31, 2021	40,275,667	\$ 26,428,690
Shares issued for acquisition of mineral property (i)	450,000	67,500
Balance, March 31, 2022	40,725,667	\$ 26,496,190

	Number of common shares	Amount
Balance, December 31, 2022	42,300,667	\$ 26,732,842
Shares issued for acquisition of mineral property (i)	450,000	60,750
Shares issued through private placements (ii)	5,000,000	400,000
Warrants (ii)	-	(148,874)
Share issue costs	-	(25,755)
Balance, March 31, 2023	47,750,667	\$ 27,018,963

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

5. Share capital (continued)

b) Common shares issued (continued)

(i) Refer to note 9(i)(ii). The fair value was estimated based on the closing price of the Company's share on the date of issue.

(ii) On March 21, 2023, the Company closed a non-brokered private placement of 5,000,000 units of the Company at a price of \$0.08 per unit for aggregate gross proceeds of \$400,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.15 for a period of 24 months following the closing date of the offering. The securities issued pursuant to the offering are subject to a statutory four month and one day hold period.

The fair value of the 5,000,000 warrants was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: exercise price of \$0.15; expected dividend yield of 0%; risk-free interest rate of 3.70%; expected volatility of 160% and an expected life of 2 years. The fair value assigned to these warrants was \$148,874.

In connection with the offering, the Company agreed to pay a cash commission in the aggregate amount of \$19,861 to eligible finder's in accordance with the policies of the TSXV.

Certain directors and management of the Company subscribed to the offering for an aggregate of 708,500 units.

6. Warrants

The following table reflects the continuity of warrants for the periods ended March 31, 2023 and March 31, 2022:

	Number of warrants	Weighted average exercise price (\$)
Balance, December 31, 2021	17,851,663	0.151
Expired	(7,255,000)	0.109
Balance, March 31, 2022	10,596,663	0.157
Balance, December 31, 2022	10,134,163	0.175
Issued (note 5(b)(ii))	5,000,000	0.150
Balance, March 31, 2023	15,134,163	0.167

The following table reflects the actual warrants issued and outstanding as of March 31, 2023:

Number of warrants outstanding	Grant date fair value(\$)	Exercise price (\$)	Expiry date
5,000,000	192,944	0.150	November 16, 2023
1,192,500	41,870	0.200	December 23, 2023
1,450,000	55,733	0.150	December 23, 2023
1,454,163	53,825	0.200	December 24, 2023
250,000	9,623	0.150	December 24, 2023
787,500	70,593	0.300	July 22, 2024
5,000,000	148,874	0.150	March 21, 2025
15,134,163	573,462	0.167	

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

7. Stock options

The following table reflects the continuity of stock options:

	Number of stock options	Weighted average exercise price (\$)
Balance, December 31, 2021	1,595,000	0.14
Granted (i)	1,550,000	0.15
Balance, March 31, 2022	3,145,000	0.15
Balance, December 31, 2022 and March 31, 2023	4,145,000	0.15

(i) On February 10, 2022, the Company granted a total of 1,550,000 incentive stock options to officers, directors and consultants of the Company at the exercise price of \$0.15, expiring February 10, 2027. 800,000 options vest immediately and the remainder vest as to 25% on each of 6, 12, 18 and 24 months after the date of grant. The grant date fair value of \$172,142 or \$0.1111 per option was valued using the Black-Scholes valuation model with the following assumptions: share price of \$0.125, expected dividend yield of 0%, expected volatility of 144% which is based on historical volatility of the Company's share price, risk-free rate of return of 1.81% and an expected maturity of 5 years. For the three months ended March 31, 2023, \$8,329 was expensed to share-based compensation (three months ended March 31, 2022 - \$100,495).

The following table reflects the actual stock options issued and outstanding as of March 31, 2023:

Expiry date	Exercise price (\$)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
April 9, 2023	0.15	0.02	375,000	375,000
April 12, 2024	0.05	1.04	120,000	120,000
November 2, 2025	0.15	2.59	950,000	950,000
December 9, 2025	0.17	2.70	50,000	50,000
July 12, 2026	0.11	3.28	100,000	100,000
February 10, 2027	0.15	3.87	1,550,000	987,500
November 2, 2027	0.15	4.59	1,000,000	1,000,000
		3.29	4,145,000	3,582,500

8. Net loss per common 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 \$258,974 (three months ended March 31, 2022 - \$332,015) and the weighted average number of common shares outstanding of 42,932,448 (three months ended March 31, 2022 - 40,379,229). Diluted loss per share did not include the effect of 4,145,000 stock options (March 31, 2022 - 3,145,000 stock options) and 15,134,163 warrants (March 31, 2022 - 10,596,663 warrants) as they are anti-dilutive.

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

9. Exploration and evaluation expenditures

	Three Months Ended March 31,	
	2023	2022
Copper Road Project		
Consulting fees	\$ -	\$ 7,500
Drilling	5,600	8,500
General and geology	20,016	29,840
Laboratory analysis	1,217	-
Property acquisition costs (i)(ii)	110,750	122,500
Travel, hotel and meals	2,319	2,455
Other	522	-
Total	\$ 140,424	\$ 170,795

(i) On March 10, 2022, the Company paid \$25,000 and issued 200,000 common shares of the Company valued at \$30,000 according to the East Breccia Option Agreement and paid \$30,000 and issued 250,000 common shares of the Company valued at \$37,500 according to the Tribag Option Agreement.

(ii) On March 14, 2023, the Company paid \$35,000 and issued 200,000 common shares of the Company valued at \$27,000 according to the East Breccia Option Agreement and paid \$15,000 and issued 250,000 common shares of the Company valued at \$33,750 according to the Tribag Option Agreement.

10. General and administrative

	Three Months Ended March 31,	
	2023	2022
Professional fees (note 11)	\$ 44,380	\$ 29,892
Management compensation (note 11)	18,000	18,000
Office and general	17,327	9,639
Director fees (note 11)	15,000	15,000
Reporting issuer costs	8,518	7,358
Shareholder and investors relations	1,430	1,431
Business development	5,346	825
Bank charges	220	214
	\$ 110,221	\$ 82,359

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

11. Related party disclosures

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Remuneration of directors and key management personnel including Chief Executive Officer, Chief Financial Officer ("CFO") and directors of the Company was as follows:

	Three Months Ended March 31,	
	2023	2022
Management compensation and salaries and benefits ⁽¹⁾	\$ 37,635	\$ 37,665
Share-based compensation	\$ 1,110	\$ 91,565

(1) Salaries and benefits include director fees. The Board of Directors and select officers do not have employment or service contracts with the Company. Directors are entitled to director fees and stock options for their services and officers are entitled to fees and stock options for their services. During the three months ended March 31, 2023, \$15,000 (three months ended March 31, 2022 - \$15,000) was paid or accrued for director fees. As at March 31, 2023, officers and directors (excluding the CFO) were owed \$24,390 (December 31, 2022 - \$12,000) and this amount was included in amounts payable and other liabilities.

The Company entered into the following transactions with related parties:

	Notes	Three Months Ended March 31,	
		2023	2022
Marrelli Group	(i)	\$ 7,697	\$ 7,793
Dixcart Trust Corporation Limited ("Dixcart")	(ii)	\$ 6,046	\$ 5,991

(i) During the three months ended March 31, 2023, the Company paid professional fees of \$7,697 (three months ended March 31, 2022 - \$7,793) to Marrelli Support Services Inc., and certain of its affiliates, together know as the "Marrelli Group", for: (i) Carmelo Marrelli, beneficial owner of the Marrelli Group, to act as the CFO of the Company, (ii) bookkeeping and office support, (iii) regulatory filing services, and (iv) press release services. The Marrelli Group was owed \$3,244 (December 31, 2022 - \$5,500) and these amounts were included in amounts payable and other liabilities.

(ii) Shaun Drake, who is the Corporate Secretary Officer of the Company, is an employee of Dixcart. During the three months ended March 31, 2023, the Company paid professional fees of \$6,046 (three months ended March 31, 2022 - \$5,991) to Dixcart. The amounts charged by Dixcart are recorded at their exchange value. As at March 31, 2023, Dixcart was owed \$6,046 (December 31, 2022 - \$5,994).

(iii) Refer to note 5(b)(ii).

All amounts due to related parties are unsecured, non-interest bearing and due on demand.

Copper Road Resources Inc. (Formerly Stone Gold Inc.)

Notes to Condensed Interim Financial Statements

Three Months Ended March 31, 2023

(Expressed in Canadian dollars)

(Unaudited)

12. Segmented information

The Company's operations comprise a single reporting operating segment engaged in mineral exploration in Canada. As the operations comprise a single reporting segment, amounts disclosed in the unaudited condensed interim financial statements also represent segment amounts. In order to determine reportable operating segments, the chief operating decision maker reviews various factors including geographical location, quantitative thresholds and managerial structure.

13. Subsequent event

On April 9, 2023, 375,000 stock options with an exercise price of \$0.15 expired unexercised.