



Condensed Consolidated Interim Financial Statements

For the three and nine months ended April 30, 2023 and 2022

To the shareholders of Grizzly Discoveries Inc.:

The condensed consolidated interim financial statements of Grizzly Discoveries Inc. (the "Company") for the three and nine months ended April 30, 2023 and 2022 have been compiled by management.

No audit or review of this information has been performed by the Company's auditors.

GRIZZLY DISCOVERIES INC.
Condensed consolidated interim statements of financial position

As at	April 30 2023 <i>(unaudited)</i>	July 31 2022
ASSETS		
Current		
Cash and cash equivalents	\$ 414,436	\$ 2,153,007
Restricted cash (note 3)	5,000	5,000
Other current assets (note 4)	253,181	262,914
	672,617	2,420,921
Deposit	33,110	32,176
Mineral properties (note 5)	9,240,749	7,752,759
	9,946,476	10,205,856
TOTAL ASSETS		
LIABILITIES		
Current		
Accounts payable and accrued liabilities	\$ 237,302	\$ 96,890
Deferred flow through share premium	-	344,032
	237,302	440,922
Reclamation provision	15,000	135,768
	252,302	576,690
TOTAL LIABILITIES		
EQUITY		
Share capital (note 6)	23,615,535	23,138,140
Warrant capital (note 6)	597,673	735,126
Contributed surplus	3,811,288	3,547,918
Deficit	(18,330,322)	(17,792,018)
	9,694,174	9,629,166
TOTAL EQUITY		
TOTAL LIABILITIES AND EQUITY		
	\$ 9,946,476	\$ 10,205,856

See Note 9 for subsequent events.

Approved by the Board of Directors

Director (signed by) "Brian Testo"

Director (signed by) "Sam Pillersdorf"

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

Condensed consolidated interim statements of net income (loss) and comprehensive income (loss)

For the	three months ended April 30		nine months ended April 30	
	2023	2022	2023	2022
EXPENSES				
General and administration (note 7)	\$ (161,830)	\$ (47,965)	\$ (426,642)	\$ (193,799)
Impairment (note 5)	(8,750)	(1,691)	(13,010)	(7,285)
Reclamation (note 5)	(731)	-	(212,956)	-
Share based compensation	(254,500)	-	(254,500)	-
TOTAL EXPENSES	(425,811)	(49,656)	(907,108)	(201,084)
OTHER INCOME (EXPENSE)				
Flow through share premium	17,220	7,944	344,032	19,679
Interest income	3,263	1,025	31,500	1,409
Unrealized gain (loss) on marketable securities	(4,394)	27,814	(6,728)	26,352
TOTAL OTHER INCOME	16,089	36,783	368,804	47,440
NET LOSS AND COMPREHENSIVE LOSS	\$ (409,722)	\$ (12,873)	\$ (538,304)	\$ (153,644)
BASIC AND DILUTED LOSS PER COMMON SHARE	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	141,571,652	98,624,879	140,017,944	95,742,390

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

GRIZZLY DISCOVERIES INC.

Condensed consolidated interim statements of changes in equity

*(unaudited)***For the nine months ended April 30, 2023**

	Number of common shares	Share capital	Warrant capital	Contributed surplus	Deficit	Total equity
As at July 31, 2022	137,186,227	\$ 23,138,140	\$ 735,126	\$ 3,547,918	\$ (17,792,018)	\$ 9,629,166
Net loss and comprehensive loss		-	-	-	(538,304)	(538,304)
Warrants exercised	3,590,200	373,414	(85,583)	-	-	287,831
Warrants expired	-	-	(51,870)	51,870	-	-
Options granted	-	-	-	254,500	-	254,500
Options Exercised	800,000	95,000	-	(43,000)	-	52,000
Shares issued as consideration for mineral properties	125,000	12,000	-	-	-	12,000
Share issuance costs	-	(3,019)	-	-	-	(3,019)
April 30, 2023	141,701,427	\$ 23,615,535	\$ 597,673	\$ 3,811,288	\$ (18,330,322)	\$ 9,694,174

For the nine months ended April 30, 2022

	Number of common shares	Share capital	Warrant capital	Contributed surplus	Deficit	Total equity
As at July 31, 2021	93,285,180	\$ 21,485,596	\$ 439,889	\$ 3,079,081	\$ (17,356,726)	7,647,840
Net loss and comprehensive loss	-	-	-	-	(153,644)	(153,644)
Private placement financings	36,187,210	1,208,109	533,997	-	-	1,742,106
Warrants exercised	1,302,500	123,737	(26,050)	-	-	97,687
Options exercised	300,000	24,000	-	(9,000)	-	15,000
Share issuance costs	-	(190,908)	52,458	-	-	(138,450)
April 30, 2022	131,074,890	\$ 22,650,534	\$ 1,000,294	\$ 3,070,081	\$ (17,510,370)	\$ 9,210,539

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

GRIZZLY DISCOVERIES INC.

Condensed consolidated interim statements of cash flows

(unaudited)

For the nine months ended April 30	2023	2022
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES:		
Net loss	\$ (538,304)	\$ (153,644)
Items not affecting cash and cash equivalents:		
Share based compensation	254,500	-
Impairment	13,200	7,285
Unrealized loss on marketable securities	6,728	(26,352)
Flow through share premium	(344,032)	(19,679)
Changes in non-cash working capital:		
Other current assets	35,496	(29,546)
Accounts payable and accrued liabilities	(35,011)	(36,825)
Reclamation obligation	(120,768)	-
Cash and cash equivalents used in operating activities	<u>(728,191)</u>	<u>(258,761)</u>
INVESTING ACTIVITIES:		
Deposit	(934)	(113)
Mineral property expenditures	(1,344,319)	(125,461)
Cash and cash equivalents used in investing activities	<u>(1,345,253)</u>	<u>(125,574)</u>
FINANCING ACTIVITIES:		
Proceeds from exercise of warrants	287,831	97,687
Warrant exercise funds received	-	18,750
Proceeds from exercise of options	52,000	15,000
Proceeds from private placement	-	2,000,300
Costs of share issuance	(4,958)	(26,340)
Cash and cash equivalents provided by financing activities	<u>334,873</u>	<u>2,105,397</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(1,738,571)	1,721,062
Cash and cash equivalents – beginning of period	<u>2,153,007</u>	<u>137,412</u>
CASH AND CASH EQUIVALENTS – END OF PERIOD	\$ 414,436	\$ 1,858,474

See Note 8 for supplemental cash flow information.

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

1. Nature of operations and going concern

Grizzly Discoveries Inc. (the “Company” or “Grizzly”) was incorporated on May 31, 2002 in Alberta and is in the business of acquiring and exploring mineral properties located in Canada. The Company has not yet determined whether these properties contain mineral reserves that are economically recoverable. The Company’s registered office is Suite 3400, 350 7 Avenue SW, Calgary, Alberta, T2P 3N9. The Company’s head office is at Suite 363 – 9768 170 Street NW, Edmonton, Alberta, T5T 5L4.

Long-term continuance of the Company’s operations is dependent upon achieving profitable operations and obtaining additional equity or debt financing. The recoverability of the carrying values of the Company’s mineral properties is dependent upon the existence and discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development of these properties and future profitable production from or proceeds from the disposition of mineral properties.

These condensed consolidated interim financial statements have been prepared on a going concern basis, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. As at April 30, 2023, the Company has a deficit of \$18,330,322 (July 31, 2022 - \$17,792,018) and the Company has not yet determined whether its mineral properties contain mineral deposits that are economically recoverable. These material uncertainties may cast significant doubt regarding the Company’s ability to continue as a going concern. At the current stage of the Company’s development, the ability of the Company to continue as a going concern is dependent upon its ability to obtain additional sources of financing. Management’s intentions are to continue to pursue additional financing. If the Company is unsuccessful in obtaining additional financing to fund operations and the exploration and development of its mineral properties, the going concern assumption may not be appropriate and adjustments would be necessary to the carrying value of assets and liabilities and reported revenues and expenses. Such adjustments may be material.

2. Basis of presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) for interim financial statements as specified in International Accounting Standard 34 – *Interim financial reporting* (“IAS 34”) issued by the International Accounting Standards Board (“IASB”). These condensed consolidated interim financial statements do not contain all of the disclosures required for financial statements in accordance with IFRS and should be read in conjunction with the consolidated financial statements of the Company for the year ended July 31, 2022.

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiary Alberta Potash Corp. (incorporated in Alberta). All intercompany balances and transactions have been eliminated on consolidation.

These condensed consolidated interim financial statements have been prepared on a historical cost basis and are presented in Canadian Dollars, the Company’s functional currency, unless otherwise noted.

These consolidated financial statements were approved by the Audit Committee on behalf of the Board of Directors of the Company on June 28, 2023.

3. Restricted cash

The Company has restricted cash in the amount of \$5,000 (July 31, 2022 - \$5,000) as security for corporate credit card liabilities.

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2023 and 2022

*(unaudited)***4. Other current assets**

As at	April 30 2023	July 31 2022
Accounts receivable	\$ 13,363	\$ 1,128
Goods and services tax receivable	64,273	6,762
Mineral exploration tax credits receivable	41,512	52,974
Prepayments and deposits	85,668	146,957
Marketable securities	48,365	55,093
Total other current assets	\$ 253,181	\$ 262,914

The Company holds securities of publicly traded companies which it has classified as FVTPL, carried at fair value, with unrealized gains and losses held as a component of net loss.

5. Mineral properties

	Alberta Diamond Properties	Alberta Potash Properties	BC Precious Metals Properties	Total
Balance, July 31, 2021	\$ 1	\$ 1	\$ 7,628,239	\$ 7,628,241
Acquisition costs	-	4,315	1,259	5,574
Exploration and evaluation costs	241	-	154,416	154,657
Reclamation	-	3,635	-	3,635
Recoveries	-	-	(31,157)	(31,157)
Impairment	(241)	(7,950)	-	(8,191)
Balance, July 31, 2022	1	1	7,752,757	7,752,759
Acquisition costs	3,636	9,374	42,473	55,483
Exploration and evaluation costs	-	-	1,450,517	1,450,517
Recoveries	-	-	(5,000)	(5,000)
Impairment	(3,636)	(9,374)	-	(13,010)
Balance, April 30, 2023	\$ 1	\$ 1	\$ 9,240,747	\$ 9,240,749

Beaverdell Property Purchase

On February 8, 2023, the Company entered into a purchase agreement ("Beaverdell Agreement") with Zimtu Capital Corp. whereby the Company will acquire a 100% undivided interest in ten (10) mineral claims in Southeast British Columbia, contiguous with the Company's Greenwood claims, currently held by Zimtu, known as the Beaverdell Claims.

Under the terms of the Zimtu Agreement, the Company acquired the Beaverdell Claims for a cash payment of \$7,500, payable immediately upon signing the Beaverdell Agreement, and the issuance of 75,000 common shares of the Company to Zimtu. The common shares of the Company issued under the Beaverdell Agreement are subject to a hold period expiring on July 3, 2023.

Midway-Picturestone Option Agreement

On October 9, 2022, the Company entered into an option agreement with an arm's length individual to acquire mineral rights over 317 hectares in the Greenwood area of British Columbia. Under the terms of the option, the Company made an initial cash payment of \$5,000 in the six months ended January 31, 2023, and issued 50,000 common shares to the optionor with a fair value of \$6,000. To complete the option, the Company must pay an additional \$10,000 in cash and issue an additional 100,000 common shares of the Company to the optionor by November 3, 2025.

Ket-28 Farm-out and Joint Venture

In the three months ended January 31, 2023, the Company and H-View Resources Inc. mutually agreed to an extension to the first year anniversary payment of common shares of Hi-View for the Ket-28 Farm-out and Joint Venture Agreement by approximately 9 months, to September 2023. The Company has received the first year anniversary cash payment of \$5,000.

6. Share capital

Common shares

The Company's articles authorize an unlimited number of common shares with no par value and an unlimited number of preferred shares. The Company has not issued any preferred shares. A summary of changes in common share capital is as follows:

	Number of Shares	Weighted average issue price	Amount
Balance, July 31, 2021	93,285,180		\$ 21,485,596
Shares issued in private placements	37,604,987	\$ 0.034	1,284,669
Shares issued on exercise of warrants	4,421,060	\$ 0.075	331,580
Warrant capital reclassified	-		88,420
Shares issued on exercise of options	1,875,000	\$ 0.051	96,250
Contributed surplus reclassified	-		65,000
Costs of share issuance	-		(213,375)
Balance, July 31, 2022	137,186,227		23,138,140
Shares issued on exercise of warrants	3,590,200	\$ 0.080	271,831
Warrant capital reclassified	-		85,583
Shares issued on exercise of options	800,000	\$ 0.065	52,000
Contributed Surplus reclassified	-		43,000
Shares issued as consideration for mineral properties	125,000	\$ 0.096	6,000
Costs of share issuance	-		(2,384)
Balance, April 30, 2023	141,701,427		\$ 23,615,535

Common share purchase warrants

A summary of changes in common share purchase warrant capital is as follows:

	Number of Warrants	Weighted average issue price	Amount
Balance, July 31, 2021	21,014,637		\$ 439,889
Warrants issued in private placements	23,334,652	\$ 0.025	585,037
Finder Warrants issued in private placement	2,082,240	\$ 0.025	52,457
Warrants exercised	(4,421,060)	\$ 0.020	(88,420)
Warrants expired	(12,691,840)	\$ 0.020	(253,837)
Balance, July 31, 2022	29,318,629		735,126
Warrants exercised	(3,590,200)	\$ 0.024	(85,583)
Warrants expired	(1,795,000)	\$ 0.026	(51,870)
Balance, April 30, 2023	23,933,429		\$ 597,673

A summary of share purchase warrants outstanding is as follows:

As at April 30, 2023				As at July 31, 2022			
Exercise price	Warrants outstanding	Warrants exercisable	Years to expiry	Exercise price	Warrants outstanding	Warrants exercisable	Years to expiry
\$ -	-	-	-	\$ 0.100	1,795,000	1,795,000	0.2
\$ -	-	-	-	\$ 0.100	200,000	200,000	0.3
\$ 0.085	1,404,233	1,404,233	0.1	\$ 0.085	1,804,233	1,804,233	0.8
\$ 0.085	102,504	102,504	0.1	\$ 0.085	102,504	102,504	0.8
\$ 0.075	1,750,000	1,750,000	0.7	\$ 0.075	2,000,000	2,000,000	1.4
\$ 0.075	2,760,040	2,760,040	0.9	\$ 0.075	3,587,040	3,587,040	1.6
\$ 0.080	16,498,875	16,498,875	1.0	\$ 0.080	18,412,075	18,412,075	1.7
\$ 0.120	1,417,777	1,417,777	1.1	\$ 0.120	1,417,777	1,417,777	1.9
\$ 0.082	23,933,429	23,933,429	0.9	\$ 0.083	29,318,629	29,318,629	1.5

Common share purchase options

A summary of stock option activity is as follows:

	Number of options	Weighted average exercise price
Outstanding stock options, July 31, 2021	6,175,000	\$ 0.08
Issued	3,500,000	\$ 0.09
Exercised	(1,875,000)	\$ 0.05
Expired	<u>(450,000)</u>	\$ 0.10
Outstanding stock options, July 31, 2022	7,350,000	\$ 0.08
Issued	3,550,000	\$ 0.09
Exercised	(800,000)	\$ 0.07
Expired	<u>(250,000)</u>	\$ 0.10
Outstanding stock options, April 30, 2023	<u>9,850,000</u>	\$ 0.09

A summary of stock options outstanding is as follows:

As at April 30, 2023				As at July 31, 2022			
Exercise price	Options outstanding	Options exercisable	Years to expiry	Exercise price	Options outstanding	Options exercisable	Years to expiry
\$ 0.100	750,000	750,000	0.3	\$ 0.100	800,000	800,000	1.0
\$ 0.100	300,000	300,000	0.5	\$ 0.100	500,000	500,000	1.3
\$ 0.050	250,000	250,000	1.6	\$ 0.050	250,000	250,000	2.3
\$ 0.080	250,000	250,000	2.3	\$ 0.080	250,000	250,000	3.0
\$ -	-	-	-	\$ 0.065	200,000	200,000	3.1
\$ 0.075	100,000	100,000	0.5	\$ 0.075	100,000	100,000	1.2
\$ 0.060	1,470,000	1,470,000	2.8	\$ 0.060	1,750,000	1,750,000	3.5
\$ 0.090	3,180,000	3,180,000	4.1	\$ 0.090	3,500,000	3,500,000	4.9
\$ 0.110	300,000	300,000	4.8	\$ -	-	-	-
\$ 0.090	3,250,000	3,250,000	4.9	\$ -	-	-	-
\$ 0.086	9,850,000	9,850,000	3.7	\$ 0.082	7,350,000	7,350,000	3.6

GRIZZLY DISCOVERIES INC.

Notes to the condensed consolidated interim financial statements

For the three and nine months ended April 30, 2023 and 2022

*(unaudited)***7. General and administrative expenses**

For the	three months ended April 30		nine months ended April 30	
	2023	2022	2023	2022
Advertising and promotion	\$ 54,729	\$ 13,543	\$ 150,822	\$ 78,480
Conferences and corporate travel	33,200	229	65,951	2,324
Consulting fees	53,029	23,970	142,339	68,970
Office and administration	4,757	5,098	22,621	9,264
Regulatory and transfer fees	15,443	7,286	35,420	24,301
Professional fees	672	(2,161)	9,489	10,460
	\$ 161,830	\$ 47,965	\$ 426,642	\$ 193,799

8. Supplemental Cash Flow Information*Interest and dividends received and paid*

During the three and nine months ended April 30, 2023, the Company received interest of \$3,263 and \$31,500 respectively (2022 - \$1,025 and \$1,409 respectively) from deposits with its financial institution. The Company did not pay any interest or dividends, nor did it receive any dividends, in either of the three or nine month periods ended April 30, 2023 or 2022.

Non-cash transactions eliminated from the consolidated statements of cash flows

The following table lists non-cash transactions which were recorded in the nine months ended April 30, 2023 and 2022 and have been eliminated from the consolidated statements of cash flows.

For the nine months ended April 30	2023	2022
(Decrease) Increase in accounts payable related to financing activities	\$ (1,939)	\$ 12,318
Increase (Decrease) in accounts payable related to investing activities	\$ 177,362	\$ (13,210)
Shares issued for mineral property acquisition recorded as an increase to the carrying value of Mineral Properties	\$ 12,000	\$ -
Net mineral tax credits recorded as a decrease to the carrying value of Mineral Properties	\$ 32,491	\$ -
Increase in share capital from reclassification of contributed surplus	\$ 43,000	\$ 9,000
Increase in share capital from reclassification of warrant capital	\$ 85,583	\$ -
Fair value of Finder Warrants recorded as share issuance costs	\$ -	\$ 52,458
Marketable securities received under Ket-28 Option recorded as a reduction to the carrying value of Mineral Properties	\$ -	\$ 30,000

9. Subsequent Events*Warrants Exercised*

Subsequent to April 30, 2023, the Company issued 458,333 common shares upon the exercise of warrants for proceeds of \$38,958.