



P A S O F I N O G O L D

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE THREE AND NINE MONTHS ENDED
JANUARY 31, 2025 AND 2024
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)**

NOTICE TO READER

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

(Unaudited)

	As at January 31, 2025	As at April 30, 2024
ASSETS		
Current assets		
Cash	\$ 1,173,081	\$ 1,582,819
Amounts receivable	30,018	9,471
Marketable securities (note 5)	3,335	3,770
Prepaid expenses	477,971	441,335
Total current assets	1,684,405	2,037,395
Non-current assets		
Property, plant and equipment (note 6)	2,753	94,959
Total non-current assets	2,753	94,959
Total assets	\$ 1,687,158	\$ 2,132,354
LIABILITIES AND SHAREHOLDERS' DEFICIT		
Current liabilities		
Amounts payable and other liabilities (notes 7 and 13)	\$ 5,201,068	\$ 5,121,977
Royalty liability (note 8)	21,726,000	-
Total current liabilities	26,927,068	5,121,977
Non-current liabilities		
Royalty liability (note 8)	-	8,914,236
Total non-current liabilities	-	8,914,236
Total liabilities	26,927,068	14,036,213
Shareholders' deficit		
Capital stock (note 9(b))	41,400,324	38,692,218
Contributed surplus (note 9(c)(d))	3,869,413	814,960
Accumulated other comprehensive loss	(2,006,301)	(3,592,573)
Accumulated deficit	(68,503,346)	(47,818,464)
Total shareholders' deficit	(25,239,910)	(11,903,859)
Total liabilities and shareholders' deficit	\$ 1,687,158	\$ 2,132,354

Nature of business and going concern (note 1)

Commitments and contingencies (note 14)

Subsequent events (note 15)

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Three months ended January 31,		Nine months ended January 31,	
	2025	2024	2025	2024
Expenses				
Exploration expense (note 11)	\$ 857,006	\$ 803,288	\$ 2,695,071	\$ 3,070,163
Management fees (note 13)	120,311	90,316	319,981	90,316
Professional fees (note 12)	161,555	100,081	417,773	100,081
Office and general (note 12)	32,706	34,681	167,474	48,036
Director fees (note 13)	7,500	15,000	22,500	15,000
Investor relations	34,255	1,885	112,767	1,885
Communications and travel	37,612	13,386	106,404	13,386
Share-based payments (note 9(c))	137,304	-	2,594,802	-
Loss before the undernoted	(1,388,249)	(1,058,637)	(6,436,772)	(3,338,867)
Foreign exchange (loss) gain	(1,688,113)	44,940	(2,193,944)	48,810
Unrealized (loss) gain on marketable securities (note 5)	(435)	725	(435)	725
Change in fair value of royalty liability (note 8)	(11,594,588)	-	(12,287,074)	-
Listing expense (note 4)	-	(19,727,224)	-	(19,727,224)
Gain on write-off of accounts payable	4,285	-	162,153	-
Other income	-	2,371	2,054	7,423
Net loss for the period	\$(14,667,100)	\$(20,737,825)	\$(20,754,018)	\$(23,009,133)
Basic and diluted loss per share (note 10)	\$ (0.13)	\$ (0.24)	\$ (0.18)	\$ (0.36)
Weighted average number of common shares outstanding - basic and diluted	117,034,596	84,830,593	114,696,485	64,258,033

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)**Condensed Interim Consolidated Statements of Comprehensive Loss****(Expressed in Canadian Dollars)****(Unaudited)**

	Three months ended January 31,		Nine months ended January 31,	
	2025	2024	2025	2024
Net loss for the period	\$(14,667,100)	\$(20,737,825)	\$(20,754,018)	\$(23,009,133)
Other comprehensive income				
Items that will be reclassified subsequently to profit and loss				
Exchange difference on translating foreign operations	1,484,291	732,958	1,586,272	320,531
Total comprehensive loss for the period	\$(13,182,809)	\$(20,004,867)	\$(19,167,746)	\$(22,688,602)

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

(Unaudited)

	Nine months ended January 31,	
	2025	2024
Operating activities:		
Net loss for the period	\$ (20,754,018)	\$ (23,009,133)
Adjustments for:		
Depreciation (note 6)	93,103	954,797
Share-based payments (note 9(c))	2,594,802	-
Unrealized loss (gain) on marketable securities (note 5)	435	(725)
Gain on write-off of accounts payable	(162,153)	-
Change in fair value of royalty liability (note 8)	12,287,074	-
Foreign exchange	2,110,065	340,882
Listing expense (note 4)	-	19,727,224
Changes in non-cash working capital items:		
Amounts receivable	(20,547)	594,328
Prepaid expenses	(36,636)	(305,620)
Amounts payable and other liabilities	241,244	(2,681,823)
Net cash used in operating activities	(3,646,631)	(4,380,070)
Investing activities:		
Purchase of property, plant and equipment	-	(4,246)
Cash acquired from the acquisition of Pasofino (note 4)	-	686,268
Net cash provided by investing activities	-	682,022
Financing activities:		
Capital contributions	-	4,027,426
Private placement (note 9(b))	3,364,737	-
Share issue costs	(127,844)	-
Shares to be issued (note 9(b)(iv))	-	2,676,721
Net cash provided by financing activities	3,236,893	6,704,147
Net change in cash	(409,738)	3,006,099
Cash, beginning of period	1,582,819	48,385
Cash, end of period	\$ 1,173,081	\$ 3,054,484

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Condensed Interim Consolidated Statements of Changes in Shareholders' Deficit

(Expressed in Canadian Dollars)

(Unaudited)

	Number of common shares	Capital stock	Shares to be issued	Contributed surplus	Accumulated other comprehensive loss	Accumulated deficit	Total
Balance, April 30, 2023	54,027,783	\$ 89,587,783	\$ -	\$ -	\$ (2,903,618)	\$(112,532,028)	\$ (25,847,863)
Capital contributions	-	4,027,426	-	-	-	-	4,027,426
Conversion of Pasofino Gold Limited for reverse acquisition (note 4)	51,909,046	19,465,892	-	474,385	-	-	19,940,277
Shares to be issued (note 9(b))	-	-	2,676,721	-	-	-	2,676,721
Other comprehensive loss	-	-	-	-	320,531	-	320,531
Net loss for the period	-	-	-	-	-	(23,009,133)	(23,009,133)
Balance, January 31, 2024	105,936,829	\$113,081,101	\$ 2,676,721	\$ 474,385	\$ (2,583,087)	\$(135,541,161)	\$ (21,892,041)
Balance, April 30, 2024	112,227,829	\$ 38,692,218	\$ -	\$ 814,960	\$ (3,592,573)	\$ (47,818,464)	\$ (11,903,859)
Private placement (note 9(b))	4,806,767	3,364,737	-	-	-	-	3,364,737
Warrants (note 9(b))	-	(528,787)	-	528,787	-	-	-
Share issue costs	-	(127,844)	-	-	-	-	(127,844)
Stock options forfeited	-	-	-	(69,136)	-	69,136	-
Share-based payments (note 9(c))	-	-	-	2,594,802	-	-	2,594,802
Other comprehensive income	-	-	-	-	1,586,272	-	1,586,272
Net loss for the period	-	-	-	-	-	(20,754,018)	(20,754,018)
Balance, January 31, 2025	117,034,596	\$ 41,400,324	\$ -	\$ 3,869,413	\$ (2,006,301)	\$ (68,503,346)	\$ (25,239,910)

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

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Business and Going Concern

Pasofino Gold Limited, ("Pasofino" or the "Company") was incorporated on August 18, 2010 under the Business Corporations Act of British Columbia. On April 19, 2013, the Company completed its Qualifying Transaction, and as a result, the Company ceased to be a CPC and commenced trading as a Tier 2 Mining Issuer on the TSX Venture Exchange ("TSXV") under the new trading symbol "NRL.V". In early 2017, the ticker was changed to "VEIN". On December 8, 2020, the Company's common shares commenced trading on the OTCQB Venture Market ("OTCQB") in the United States. The Pasofino ticker is (OTCQB: EFRGF).

The principal business of the Company is the acquisition, exploration, and development of mineral properties.

On December 8, 2023, Hummingbird Resources (Liberia) Inc. ("Hummingbird Liberia") completed the acquisition of Pasofino. Pursuant to the acquisition, all common shares of Hummingbird Liberia were exchanged for common shares of the Company (the "Transaction"). Refer to note 4. Hummingbird Liberia was identified as the accounting acquirer in the Transaction and as such, these consolidated financial statements present the continuation of Hummingbird Liberia and constituted a reverse acquisition of Pasofino by Hummingbird Liberia. As a result of the Transaction, Hummingbird Resources PLC ("Hummingbird PLC") is the ultimate parent of the Company.

The Company's head office, and registered and records office is 366 Bay Street, Suite 200, Toronto, Ontario, Canada, M5H 4B2.

The Company engages in exploration, evaluation and development of mineral exploration targets, principally for gold, within Liberia.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current operations, including exploration and evaluation programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose its interests on an advantageous basis.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, 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, aboriginal 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, political uncertainty and currency exchange fluctuations and restrictions.

These unaudited condensed interim consolidated financial statements have been prepared using International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") on a going concern basis, which assumes the Company will be able to meet its obligations and continue its operations for the next 12 months. At January 31, 2025, the Company had an accumulated deficit of \$68,503,346 (April 30, 2024 - \$47,818,464), expects to incur further losses in the development of its business, and had working capital deficit of \$25,242,663 (April 30, 2024 – working capital deficit of \$3,084,582).

The Company's continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds from raising equity capital and/or borrowing sufficient funds to meet current and future obligations. In order to continue as a going concern and meet its corporate objective, the Company will require additional financing through debt or equity issuances or other available means. However, there is no assurance that the Company will continue to be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties raise significant doubt regarding the Company's ability to continue as a going concern.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

1. Nature of Business and Going Concern (Continued)

These unaudited condensed interim consolidated financial statements do not reflect the adjustments to the carrying value of assets and liabilities and the reported expenses and balance sheet classifications 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. Such adjustments could be material.

2. Basis of Preparation

The Company applies IFRS as issued by the IASB and the interpretation issued by the IFRS Interpretations Committee. These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard ("IAS") 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 consolidated financial statements are based on IFRS issued and outstanding as of March 12, 2025, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent annual consolidated financial statements as at and for the year ended April 30, 2024. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending April 30, 2025 could result in restatement of these unaudited condensed interim consolidated financial statements.

3. Material Accounting Policies

These unaudited condensed interim consolidated financial statements have been prepared following the same accounting policies, critical estimates and judgements used in the preparation of the audited consolidated financial statements of the Company for the year ended April 30, 2024, which are available on SEDAR+ at www.sedarplus.ca, except as noted below.

New Standards

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, 2024. The adoption of the amendments had no impact on the Company's unaudited condensed interim consolidated financial statements.

Future Policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is currently assessing the impact of these standards on the unaudited condensed interim consolidated financial statements.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

4. Reverse Acquisition

On September 20, 2022, Pasofino exercised its option to acquire a 49% interest in Hummingbird Liberia pursuant to an earn-in agreement in respect of the Dugbe Gold Project in Liberia (the "Option Agreement"). These shares were issued concurrently with the closing of the acquisition of the remaining 51% discussed below.

On August 23, 2023, the shareholders of Pasofino approved Hummingbird PLC becoming the parent of Pasofino. In connection with Pasofino's exercise of its right under the Option Agreement, Hummingbird PLC sold to Pasofino, Hummingbird PLC's 51% interest in the issued and outstanding shares of Hummingbird Liberia and all shareholder loans made by Hummingbird PLC to Hummingbird Liberia in order for Pasofino to become owner of 100% of the Dugbe Gold project (prior to giving effect to the 10% carried interest of the Government of Liberia). In consideration for the Transaction, Hummingbird PLC will receive a 51% shareholding interest in Pasofino, as such interest is calculated and determined in accordance with the Option Agreement.

On December 8, 2023, the Company completed the Transaction and as consideration for the Transaction, Pasofino issued to Hummingbird PLC 54,027,783 common shares in the capital of the Company.

For accounting purposes, Hummingbird Liberia was treated as the accounting parent company (legal subsidiary) and Pasofino was treated as the accounting subsidiary (legal parent) in these unaudited condensed interim consolidated financial statements. As Hummingbird Liberia was deemed to be the acquirer for accounting purposes, its assets, liabilities and results of operations since incorporation are included in these unaudited condensed interim consolidated financial statements at their historical carrying value. Pasofino's results of operations have been included from the Transaction date, December 8, 2023. As Pasofino did not qualify as a business according to the definition in IFRS 3 Business Combinations, this reverse acquisition does not constitute a business combination and has been accounted for in accordance with IFRS 2 Share-based Payments, such that Hummingbird Liberia is deemed to have issued shares in exchange for the net assets and listing status of Pasofino. Upon completion of the Transaction, Hummingbird PLC, the former parent of Hummingbird Liberia, became the ultimate parent of the Company. The difference between the consideration given to acquire Pasofino and the fair value of Pasofino's net assets was recorded as a listing expense in the unaudited condensed interim consolidated statement of loss.

Prior to the Transaction, Pasofino had 51,909,046 issued and outstanding common shares. All issued and outstanding common shares of Hummingbird Liberia were exchanged for 54,027,783 common shares of Pasofino. As part of the acquisition, the Company acquired a net assets of \$213,053 and incurred listing expense of \$19,727,224.

Prior to the acquisition of the Company, Hummingbird Liberia had a shareholder loan balance of \$51,827,558 (US\$38,142,153) payable to Hummingbird PLC. As agreed in the Option Agreement, ARX Resources Limited ("ARX") assumed the pre-existing shareholder loan payable to Hummingbird PLC, which resulted in a capital contribution recorded, directly to accumulated deficit in the unaudited condensed interim consolidated statements of changes in shareholders' deficit.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

4. Reverse Acquisition (Continued)

Details of the allocation of the estimated fair values of identifiable assets acquired and liabilities assumed, and price consideration are as follows:

Purchase Price Consideration

51,909,046 common shares ⁽¹⁾	\$ 19,465,892
4,068,832 warrants ⁽²⁾	93,402
3,285,350 stock options ⁽³⁾	380,983
Total	\$ 19,940,277

Net Assets (Liabilities) Acquired (Estimated Fair Value)

Cash	\$ 686,268
Accounts receivable	7,010
Receivable from Hummingbird Liberia ⁽⁴⁾	594,212
Prepaid expenses	44,134
Marketable securities	3,625
Property, plant and equipment	3,375
Amounts payable and other liabilities	(1,125,571)
Total net (liabilities)	\$ 213,053
Listing expense	\$ 19,727,224

⁽¹⁾ The value of the shares was based on the December 8, 2023 quoted market price of \$0.375 per share.

⁽²⁾ The fair value of the warrants was estimated at \$93,402 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.375 (based on December 8, 2023 quoted market price); expected dividend yield of 0%; expected volatility of 91% (based on historical price data of the Company's common shares); risk-free interest rate of 4.16% and an expected life of 0.36 years. All outstanding warrants were fully vested at the Transaction date.

⁽³⁾ The fair value of the stock options was estimated at \$380,983 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.375 (based on December 8, 2023 quoted market price); expected dividend yield of 0%; expected volatility of 85% to 93% (based on historical price data of the Company's common shares); risk-free interest rate of 3.56% to 4.16% and an expected life of 0.39 to 3.17 years. All outstanding stock options were fully vested at the Transaction date.

⁽⁴⁾ Prior to the acquisition of the Company, Hummingbird Liberia owed a balance of \$594,212 (US\$437,500) to Pasofino for operating fees that was eliminated upon consolidation.

5. Marketable Securities

	Number of shares	Cost	Cumulative unrealized gain (loss)	Fair market value
April 30, 2024				
QC Copper & Gold Inc. ("QC Copper")	29,000	\$ 3,625	\$ 145	\$ 3,770
January 31, 2025				
QC Copper	29,000	\$ 3,625	\$ (290)	\$ 3,335

During the three and nine months ended January 31, 2025, the Company recorded an unrealized loss on marketable securities of \$435 and \$435, respectively (three and nine months ended January 31, 2024 - unrealized gain of \$725 and \$725, respectively) in the unaudited condensed interim consolidated statement of loss.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

6. Property, Plant and Equipment

Cost	Plant and machinery	Motor vehicles - light vehicles	Computer equipment	Exploration equipment	Road upgrades	New Camp	Other	Total
Balance, April 30, 2024	\$ 755,402	\$ 2,199,364	\$ 79,713	\$ 170,629	\$ 3,336,098	\$ 649,707	\$ 278,431	\$ 7,469,344
Foreign exchange adjustment	40,556	118,080	4,280	9,161	179,110	34,882	14,948	401,017
Balance, January 31, 2025	\$ 795,958	\$ 2,317,444	\$ 83,993	\$ 179,790	\$ 3,515,208	\$ 684,589	\$ 293,379	\$ 7,870,361

Accumulated depreciation

Balance, April 30, 2024	\$ 752,340	\$ 2,199,364	\$ 79,074	\$ 170,454	\$ 3,246,095	\$ 649,697	\$ 277,361	\$ 7,374,385
Depreciation	900	-	256	178	90,684	10	1,075	93,103
Foreign exchange adjustment	40,385	118,080	4,257	9,158	178,415	34,882	14,943	400,120
Balance, January 31, 2025	\$ 793,625	\$ 2,317,444	\$ 83,587	\$ 179,790	\$ 3,515,194	\$ 684,589	\$ 293,379	\$ 7,867,608

Carrying value

Balance, April 30, 2024	\$ 3,062	\$ -	\$ 639	\$ 175	\$ 90,003	\$ 10	\$ 1,070	\$ 94,959
Balance, January 31, 2025	\$ 2,333	\$ -	\$ 406	\$ -	\$ 14	\$ -	\$ -	\$ 2,753

Geographic information

	Liberia	Canada	Total
Balance, April 30, 2024	\$ 94,959	\$ -	\$ 94,959
Balance, January 31, 2025	\$ 2,753	\$ -	\$ 2,753

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

7. Amounts Payable and Other Liabilities

	As at January 31, 2025	As at April 30, 2024
Amounts payables	\$ 536,299	\$ 41,781
Accrued liabilities	4,664,769	5,080,196
	\$ 5,201,068	\$ 5,121,977

8. Royalty liability

On December 17, 2012, Hummingbird Liberia entered into a royalty financing agreement with Ecora Resources PLC ("Ecora") in relation to Dugbe Gold Project. Under the terms of the agreement, Ecora advanced US\$15,000,000 to Hummingbird Liberia.

In 2016, when the Mineral Development Agreement ("MDA") had been approved by the Liberian government, the advances were converted into a 2% net smelter return royalty from any sales of product mined within a 20km radius of the Dugbe Gold Project. After an initial grace period of six months following the commencement of commercial production, in the event that quarterly sales of gold produced are less than 50,000 ounces, additional quarterly payments will be required until such time as the cumulative royalty paid is US\$15,000,000 (the maximum total payment in any such quarter is equivalent to the royalty that would have arisen on sales of 50,000 ounces of gold).

Following this period the royalty is 2% except where both the average gold price is above US\$1,800 and sales of gold are less than 50,000 ounces, in which case it increases to 2.5% in respect of that quarter.

The amount advanced of US\$15,000,000 is repayable in cash in certain limited circumstances, such as upon a change in control and through repayment from future production of the Dugbe Gold Project via quarterly royalty payments and therefore is treated as a financial liability.

The Company made an irrevocable election to classify the royalty liability at fair value through profit and loss. Therefore, the royalty liability is measured at its fair value at each reporting date. The fair value of the loan is determined to be \$21,726,000 at January 31, 2025 (April 30, 2024 - \$8,914,236).

The royalty liability is non-interest bearing and is secured by legal charges over the assets of Hummingbird Liberia and certain other subsidiaries of Hummingbird PLC, and a legal charge over the shares of Hummingbird Liberia and certain other subsidiaries of Hummingbird PLC.

Refer to note 15(iv).

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

9. Capital Stock

- a) Authorized - Unlimited common shares without par value
- b) Issued - 117,034,596 common shares

Nine months ended January 31, 2025:

- (i) On October 29, 2024, the Company closed the first tranche of a non-brokered private placement of units at \$0.70 per unit for gross proceeds of approximately \$3,339,537 (US\$2,480,799).

Each unit consists of one common share of the Company and one half of one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.90 for a period of 18 months following the issue date of the units. The Company has estimated the fair value of these warrants at \$524,835 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.59 (based on the implied share price in the unit financing); expected dividend yield of 0%; expected volatility of 93.00% (based on historical price data of the Company's common shares); risk-free interest rate of 3.10% and an expected life of 1.5 years.

A total of 4,770,767 common shares and 2,385,383 warrants were issued pursuant to the financing. All securities issued are subject to a 4 month hold period expiring March 1, 2025. The Company paid a finder's fee of \$12,294 in connection with the financing.

Brett Richards, a director of the Company, subscribed for 578,338 units.

- (ii) On October 31, 2024, the Company closed the second and final tranche of a non-brokered private placement of units at \$0.70 per unit for gross proceeds of approximately of \$25,200 (US\$18,720).

Each unit consists of one common share of the Company and one half of one common share purchase warrant. Each warrant entitles the holder thereof to purchase one common share of the Company at a price of \$0.90 for a period of 18 months following the issue date of the units. The Company has estimated the fair value of these warrants at \$3,952 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.59 (based on the implied share price in the unit financing); expected dividend yield of 0%; expected volatility of 92.78% (based on historical price data of the Company's common shares); risk-free interest rate of 3.10% and an expected life of 1.5 years.

A total of 36,000 common shares and 18,000 warrants were issued pursuant to the financing. All securities issued are subject to a 4 month hold period expiring March 1, 2025.

Nine months ended January 31, 2024:

- (iii) Refer to note 4.

- (iv) As at January 31, 2024, \$2,676,721 (US\$1,998,000) was received related to the offering completed in February 2024 and recorded as shares to be issued.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

9. Capital Stock (Continued)

c) Stock options

The following table summarizes the stock option transactions during the nine months ended January 31, 2025 and 2024:

	Number of stock options	Weighted average exercise price
Balance, April 30, 2023	-	\$ -
Stock options issued pursuant to completion of the transaction (note 4)	3,285,350	1.14
Stock options forfeited	(249,999)	1.14
Balance, January 31, 2024	3,035,351	\$ 1.14
Balance, April 30, 2024	3,015,708	\$ 1.15
Stock options issued granted (i)(ii)	8,465,000	0.69
Stock options forfeited	(596,427)	1.15
Balance, January 31, 2025	10,884,281	\$ 0.79

(i) On October 3 2024, the Company granted 7,465,000 stock options to directors, officers, employees and consultants. The stock options have an exercise price of \$0.70 per share, are valid for a eighteen-month period from the date of grant. The options vested immediately. The fair value of the 7,465,000 stock options issued was estimated at \$2,457,498 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.72 (based on quoted market price); expected dividend yield of 0%; expected volatility of 94.36% (based on historical price data of the Company's common shares); risk-free interest rate of 3.06% and an expected life of eighteen months. For the three and nine months ended January 31, 2025, the impact on the unaudited condensed interim consolidated statement of loss and comprehensive loss was \$nil and \$2,457,498, respectively (three and nine months ended January 31, 2024 - \$nil) and recorded as share-based payments.

(ii) On December 2, 2024, the Company granted 1,000,000 stock options to Brett Richards, who was appointed as Chief Executive Officer of the Company on December 2, 2024. The stock options have an exercise price of \$0.60 per share, are valid for a term of eighteen-month period from the date of grant. The options will vest in equal installments over a twelve-month period. The fair value of the 1,000,000 stock options issued was estimated at \$275,403 using the Black-Scholes option pricing model with the following assumptions: share price of \$0.60 (based on quoted market price); expected dividend yield of 0%; expected volatility of 96.81% (based on historical price data of the Company's common shares); risk-free interest rate of 3.03% and an expected life of eighteen months. For the three and nine months ended January 31, 2025, the impact on the unaudited condensed interim consolidated statement of loss and comprehensive loss was \$137,304 (three and nine months ended January 31, 2024 - \$nil) and recorded as share-based payments.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

9. Capital Stock (Continued)

c) Stock options (continued)

The following table reflects the stock options issued and outstanding as of January 31, 2025:

Expiry date	Exercise price (\$)	Options outstanding	Weighted average remaining contractual life (years)	Options exercisable	Valuation (\$)
April 3, 2026	0.70	7,465,000	1.17	7,465,000	2,457,498
June 24, 2026	1.40	1,489,281	1.39	1,489,281	123,587
February 7, 2027	0.74	930,000	2.02	930,000	158,358
June 2, 2026	0.60	1,000,000	1.33	166,667	275,403
	0.79	10,884,281	1.29	10,050,948	3,014,846

d) Warrants

The following table summarizes the warrant transactions during the nine months ended January 31, 2025 and 2024:

	Number of warrants	Weighted average exercise price
Balance, April 30, 2023	-	\$ -
Warrants issued pursuant to completion of the Transaction (note 4)	4,068,832	0.65
Balance, January 31, 2024	4,068,832	\$ 0.65
Balance, April 30, 2024	3,145,500	\$ 0.65
Issued (note 9(b)(i)(ii))	2,403,383	0.90
Balance, January 31, 2025	5,548,883	\$ 0.76

The following table reflects the warrants issued and outstanding as of January 31, 2025:

Expiry date	Weighted average remaining contractual life (years)	Exercise price (\$)	Warrants outstanding	Valuation (\$)
August 8, 2025	0.52	0.65	3,145,500	463,879
April 29, 2026	1.24	0.90	2,385,383	524,835
May 1, 2026	1.25	0.90	18,000	3,952
	0.83	0.76	5,548,883	992,666

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

10. Net Loss Per Share

The calculation of basic and diluted loss per share for the three and nine months ended January 31, 2025 was based on the loss attributable to common shareholders of \$14,667,100 and \$20,754,018, respectively (three and nine months ended January 31, 2024 - \$20,737,825 and \$23,009,133, respectively) and the weighted average number of common shares outstanding of 117,034,596 and 114,696,485, respectively (three and nine months ended January 31, 2024 - 84,830,593 and 64,258,033, respectively). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

11. Mineral Properties

Exploration and evaluation expenditures incurred during the three and nine months ended January 31, 2025 and 2024 are as follows:

	Three months ended January 31,		Nine months ended January 31,	
	2025	2024	2025	2024
Properties				
Dugbe Gold Project				
Annual license fees	\$ 168,494	\$ -	\$ 168,494	\$ -
Access road	929	-	70,952	-
Camp and support costs	59,998	20,553	189,446	42,209
Community fund	2,313	-	97,996	-
Depreciation	1,720	181,501	93,058	954,796
Drilling activities	2,248	5,695	190,984	10,002
Facility activities	24,560	36,843	90,900	123,642
Investor relation, marketing and communication	14,302	-	27,830	-
Laboratory analysis	338	-	338	4,208
Operating costs	-	14,271	-	399,573
Other	3,375	-	6,753	-
Project related costs	18	175	1,661	7,890
Professional fees	64,910	231,273	148,294	494,614
Salaries and consultants	358,795	235,564	796,753	761,240
Study activities	19,888	-	279,116	80,201
Transport costs	14,075	-	147,733	-
Travel and accommodation	121,043	77,413	384,763	191,788
Exploration and evaluation expenditures	\$ 857,006	\$ 803,288	\$ 2,695,071	\$ 3,070,163

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

12. Supplementary Information

	Three months ended January 31,		Nine months ended January 31,	
	2025	2024	2025	2024
Office and General:				
Administration and other expenses	\$ 12,382	\$ 22,471	\$ 111,983	\$ 35,826
Regulatory and shareholder filing fees	20,324	12,210	55,491	12,210
	\$ 32,706	\$ 34,681	\$ 167,474	\$ 48,036

	Three months ended January 31,		Nine months ended January 31,	
	2025	2024	2025	2024
Professional Fees:				
Accounting fees	\$ 15,127	\$ 19,000	\$ 51,129	\$ 19,000
Consulting fees	5,556	2,926	45,641	2,926
Legal and audit fees	140,872	78,155	321,003	78,155
	\$ 161,555	\$ 100,081	\$ 417,773	\$ 100,081

13. Related Party Transactions

During the three and nine months ended January 31, 2025 and 2024, the Company entered into the following transactions with related parties, not disclosed elsewhere in these unaudited condensed interim consolidated financial statements:

Summary compensation of key management:

	Three months ended January 31,		Nine months ended January 31,	
	2025	2024	2025	2024
Management fees	\$ 120,311	\$ 90,316	\$ 319,981	\$ 90,316
Director fees	\$ 7,500	\$ 15,000	\$ 22,500	\$ 15,000
Share-based payments	\$ 137,304	\$ -	\$ 1,798,132	\$ -

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

As at January 31, 2025, the Company has a balance payable of \$82,057 to certain directors (April 30, 2024 - \$60,000) and \$nil (April 30, 2024 - \$nil) to management which is due on demand, unsecured and non-interest bearing.

See also notes 4 and 9.

14. Commitments and Contingencies

(i) The Company is party to certain contracts for the provision of management services to the Company. These contracts contain minimum commitments of US\$158,000 (\$229,000) due within one year and additional contingent payments of up to US\$1,104,000 (\$1,599,000) upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these unaudited condensed interim consolidated financial statements.

(ii) Refer to note 8.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

15. Subsequent Events

(i) On March 3, 2025, the Company alerted shareholders to the acquisition by Nioko Resources Corporation (Nioko) of control of Hummingbird PLC (the "Acquisition") pursuant to the exercise of a subscription option that was completed on January 7, 2025.

The Board of Directors of Pasofino is of the view that the Acquisition is an indirect take-over bid of Pasofino and will be notifying the applicable securities regulators of the situation. In addition, the Board of Director is of the view that the Acquisition constitutes a flip-in event under Pasofino's shareholder rights plan (the "Rights Plan") since Hummingbird PLC, which beneficially owns or exercises control or direction of more than 50% of the shares of the Company, is now an affiliate of Nioko which results in Nioko becoming an "Acquiring Person" (as defined in the Rights Plan). As a result of the flip-in event, each right issued to a shareholder (other than Hummingbird PLC) under the Rights Plan would have separated and become exercisable ten trading days after January 8, 2025. Based on the January 7, 2025 acquisition date, each right entitles the holder to acquire 629.92 shares of Pasofino (having a value of \$360) for \$90 resulting in a effective exercise price of \$0.1428 per share. The Company is in contact with its rights agent to give effect to the terms of the Rights Plan and with the TSXV to have the rights listed for trading on the TSXV and the common shares of the Company issued upon exercise of the rights listed on the TSXV.

In addition, the Company received a letter from Hummingbird PLC advising that Dan Betts and Tom Hill have confirmed their willingness to resign from the Board of Directors of Pasofino and that Hummingbird PLC wishes to designate Geoff Eyre and Oumar Toguyeni as their replacements.

(ii) Further to the press release issued on March 3, 2025, Pasofino hereby alerts shareholders that it has provided the Ontario Securities Commission (the "OSC") with an undertaking (the "Undertaking") in respect of its Rights Plan. The Undertaking provides that until the earlier of 5:00 p.m. (ET) on March 17, 2025 or the OSC's revocation of this Undertaking, Pasofino undertakes that it will not take any further steps to give effect to the terms of the Rights Plan or to facilitate the exercise of the rights stated to have been granted under the Rights Plan.

(iii) On March 6, 2025, Hummingbird PLC announced that subject to applicable law, Hummingbird PLC will continue to review its holdings of common shares in the capital of Pasofino, and depending on market conditions, general economic conditions and industry conditions, Pasofino's business and financial condition and prospects and/or other relevant factors, may increase or decrease its investment in the common shares of Pasofino.

Hummingbird PLC has no current plans or intentions with respect to Pasofino, other than it has exercised its rights under the investor rights agreement dated December 8, 2023 between Hummingbird PLC and Pasofino (the "IRA") to effect a change in the Board of Directors of Pasofino as currently constituted. As outlined in letters addressed to Pasofino, Hummingbird PLC exercised its rights under the IRA and may designate up to three (3) individuals to replace the current Investor Designees (as defined in the IRA).

Hummingbird PLC and Nioko are also challenging Pasofino's position that the Rights Plan has been validly triggered. Hummingbird PLC and Nioko may bring proceedings before the British Columbia Superior Court and the Ontario Capital Markets Tribunal to block and/or terminate the Rights Plan.

Pasofino Gold Limited (formerly Hummingbird Resources (Liberia) Inc.)

Notes to Condensed Interim Consolidated Financial Statements

Three and Nine Months Ended January 31, 2025 and 2024

(Expressed in Canadian Dollars)

(Unaudited)

15. Subsequent Events (Continued)

(iv) On March 7, 2025, Pasofino advised that, effective today, Mr. Dan Betts and Mr. Tom Hill (two of the nominees of Hummingbird PLC) on the Board of Directors of Pasofino have resigned.

In addition, Pasofino alerts the market that the Acquisition pursuant to the exercise of a subscription option that was completed on January 7, 2025 triggered the right of APG AUS NO 5 PTY LTD (the "Royalty Holder") to terminate (the "Termination Right") the Amended and Restated Net Smelter Returns Royalty Deed between the Royalty Holder (as the holder of the royalty and the royalty payee), Hummingbird PLC (as guarantor), ARX, a subsidiary of Pasofino (as guarantor) and Hummingbird Liberia, a subsidiary of ARX and an indirect subsidiary of Pasofino (as royalty payor) (the "NSR Royalty").

The Acquisition triggered the Termination Right of the Royalty Holder and triggered an obligation on the part of Hummingbird PLC to provide notice (in accordance with the terms of the NSR Royalty) to the Royalty Holder of the Acquisition (the "Notice").

In accordance with the terms of the NSR Royalty, Hummingbird PLC is required to provide notice (the "Notice") to the Royalty Holder of the Acquisition. The Royalty Holder has a period of six (6) months from receiving the Notice to elect to terminate the NSR Royalty. If the Royalty Holder terminates the Royalty, Hummingbird Liberia is required to pay the Royalty Holder US\$15,000,000 (the "Termination Fee") within a period of 9 months. Hummingbird PLC and ARX are jointly and severally liable to the Royalty Holder for payment of this amount. Refer to note 8.

None of Pasofino, ARX or Hummingbird Liberia has received a copy of the Notice. Pasofino has requested that Nioko confirm that the Notice was provided to the Royalty Holder and to provide all correspondence with the Royalty Holder in connection with the Notice. It is Pasofino's expectation that Nioko or Hummingbird PLC will pay the Termination Fee to the Royalty Holder as it was their unilateral action that triggered the Termination Right, however there can be no assurance that Hummingbird PLC or Nioko will pay such amount.