

Gold Springs Resource Corp.

(An Exploration Stage Company)

Condensed Interim Consolidated Financial Statements
Three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the condensed interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these condensed interim financial statements in accordance with standards established by the Chartered Professional Accountants Canada for a review of interim financial statements by an entity's auditor.

Gold Springs Resource Corp.

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Financial Position

(Unaudited - Presented in U.S. dollars)

	Note	June 30, 2025	December 31, 2024
		\$	\$
Assets			
<i>Current</i>			
Cash and cash equivalents		22,158	36,006
Receivables and prepaids	4	215,774	87,790
		237,932	123,796
<i>Non-current assets</i>			
Equipment		50,375	69,842
Reclamation deposit	5	593,983	593,983
Mining claims and deferred exploration costs	5	25,648,589	25,397,287
Total Assets		26,530,879	26,184,908
Liabilities			
<i>Current</i>			
Accounts payable, accrued and other liabilities	9	1,989,032	1,328,589
Redemption liability	6	113,880	113,880
		2,102,912	1,442,469
<i>Non-current liabilities</i>			
Loan payable	7	29,320	27,800
		2,132,232	1,470,269
Equity attributable to shareholders			
Share capital	8	101,336,222	101,336,222
Contributed surplus	8	14,238,390	14,233,415
Accumulated other comprehensive loss		(519,075)	(499,459)
Deficit		(90,656,890)	(90,355,539)
		24,398,647	24,714,639
Total Liabilities and Shareholders' Equity		26,530,879	26,184,908

Going concern (Note 1)

Contingencies and pledge (Note 10)

Subsequent event (Note 14)

Approved by the Board of Directors:

(signed) "Tina Woodside-Shaw"

(signed) "Victor Dario"

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

Gold Springs Resource Corp.

(An Exploration Stage Company)

Condensed Interim Consolidated Statements of Earnings (Loss) and Comprehensive Income (Loss)

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

	Note	Three months ended June 30, 2025	June 30, 2024	Six months ended June 30, 2025	June 30, 2024
		\$	\$	\$	\$
General and administrative expenses					
Professional fees	9	26,937	25,472	78,141	69,873
Wages, benefits and management fees	9	32,420	30,536	62,623	61,426
Office and administration		28,228	49,184	51,447	76,931
Filing and transfer agent fees		13,873	17,204	31,541	33,984
Depreciation		8,683	17,308	19,469	34,644
Directors' fees	9	14,601	11,737	25,522	20,321
Shareholder information and investor relations		4,996	7,915	5,748	10,773
Share-based payments	8,9	(6,965)	20,079	3,689	32,643
Total general and administrative expenses		(122,773)	(179,435)	(278,180)	(340,595)
Other expenses					
Interest and other income		156	624	390	1,085
Foreign exchange loss		(11,300)	(1,139)	(23,561)	(1,600)
Total other expenses		(11,144)	(515)	(23,171)	(515)
Net loss for the period		(133,917)	(179,950)	(301,351)	(341,110)
Other comprehensive income (loss)					
<i>Items that may be subsequently reclassified to profit or loss:</i>					
Currency translation differences		(20,696)	2,952	(19,616)	7,612
Total other comprehensive income (loss) for the period		(20,696)	2,952	(19,616)	7,612
Total comprehensive loss for the period		(154,613)	(176,998)	(320,967)	(333,498)
Net loss per share:					
Basic and Diluted		(0.00)	(0.00)	(0.00)	(0.00)
Weighted average number of shares outstanding:					
Basic		283,013,492	281,380,158	283,013,492	281,380,158
Diluted		283,013,492	281,380,158	283,013,492	281,380,158

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

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Condensed Interim Consolidated Statements of Changes in Equity

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

	Share Capital		Contributed Surplus	AOCL ¹	Deficit	Total
	Number	\$	\$	\$	\$	\$
Balance, December 31, 2023	281,380,158	101,166,258	14,241,972	(525,140)	(89,678,549)	25,204,541
Shares issued on option exercise	1,633,334	169,964	(60,998)	-	-	108,966
Share-based payments	-	-	36,488	-	-	36,488
Total comprehensive income (loss)	-	-	-	7,612	(341,110)	(333,498)
Balance, June 30, 2024	283,013,492	101,336,222	14,217,462	(517,528)	(90,019,659)	25,016,497
Share-based payments	-	-	15,953	-	-	15,953
Total comprehensive income (loss)	-	-	-	18,069	(335,880)	(317,811)
Balance, December 31, 2024	283,013,492	101,336,222	14,233,415	(499,459)	(90,355,539)	24,714,639
Share-based payments	-	-	4,975	-	-	4,975
Total comprehensive loss	-	-	-	(19,616)	(301,351)	(320,967)
Balance, June 30, 2025	283,013,492	101,336,222	14,238,390	(519,075)	(90,656,890)	24,398,647

¹ Accumulated other comprehensive loss

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

Gold Springs Resource Corp.

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Condensed Interim Consolidated Statements of Cash Flows

For the six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

	June 30, 2025	June 30, 2024
	\$	\$
Cash flows (used in) from operating activities		
Net loss for the period	(301,351)	(341,110)
<i>Items not affecting cash</i>		
Depreciation	19,469	34,644
Share-based payments	3,689	32,643
Interest expense	708	626
Interest income	(390)	(1,085)
Unrealized foreign exchange	2,132	579
	(275,743)	(273,703)
<i>Changes in non-cash operating working capital</i>		
Change in receivables and prepaids	(127,984)	21,281
Change in accounts payable and accrued liabilities	65,592	149,695
	(338,135)	(103,353)
Cash flows (used in) from investing activities		
Mining claims and deferred exploration costs	(243,084)	(155,861)
Interest received	390	1,085
	(242,694)	(154,776)
Cash flows from financing activities		
Receipt of advances	565,000	102,192
Exercise of options	-	82,816
Interest paid	(708)	(626)
	564,292	184,382
Decrease in cash and cash equivalents	(16,537)	(73,121)
Foreign exchange effect on cash and cash equivalents	2,689	(434)
Cash and cash equivalents - Beginning of period	36,006	84,576
Cash and cash equivalents - End of period	22,158	11,021

Supplemental cash flow information (Note 12)

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

Gold Springs Resource Corp.

(An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

1 Nature of operations and going concern

Gold Springs Resource Corp. (“GRC” or the “Company”) was incorporated pursuant to the *Canada Business Corporations Act* by articles of incorporation dated September 28, 2006 and was continued under the *Business Corporations Act* (British Columbia) (“BCBCA”) on December 17, 2013. The Company is listed on the Toronto Stock Exchange (“TSX”) under the stock symbol GRC and on the OTCQB Venture Market (“OTCQB”) in the U.S. under the stock symbol GRCAF. The Company’s registered and head office is located at Suite 1100, 1199 West Hastings Street, Vancouver, British Columbia, Canada, V6E 3T5. The Company’s principal activities include the acquisition, exploration and development of mineral properties. The principal country where the Company has been undertaking exploration activities is the United States. Property interests are held through wholly owned subsidiaries.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards and on a going concern basis, which assumes that the Company will be able to meet its obligations and continue its operations for at least the next twelve months from June 30, 2025.

The Company has incurred losses since inception and expects to incur further losses in the development of its operations and at June 30, 2025, the Company had a working capital deficiency of \$1,864,980 (December 31, 2024 – \$1,318,673). At that date, the Company also had an accumulated deficit of \$90,656,890 which has been funded primarily by the issuance of equity.

The Company’s ability to continue as a going concern is dependent upon its ability to obtain the necessary financing to meet its general operating expenses and to continue to explore its mineral properties. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These factors give rise to material uncertainty that may cast significant doubt upon the Company’s ability to continue as a going concern and, therefore, whether it may be unable to realize its assets and discharge its liabilities in the normal course of business. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of the assets and liabilities, the reported expenses and the statements of financial position classifications that would be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2 Basis of presentation

Statement of compliance

The Company’s condensed interim consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards (as issued by the International Accounting Standards Board (“IASB”) and the International Financial Reporting Interpretations Committee (“IFRIC”)) (“IFRS”) applicable to the preparation of interim financial statements, including IAS 34, Interim Financial Reporting. The condensed interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2024, which have been prepared in accordance with IFRS.

The Company uses the same accounting policies and methods of computation as in the annual consolidated financial statements for the year ended December 31, 2024.

These condensed interim financial statements were approved by the board of directors on August 11, 2025.

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For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

Basis of consolidation

The condensed interim consolidated financial statements include the results or financial information of Gold Springs Resource Corp. and its significant wholly-owned subsidiaries listed in the following table:

Name	Country of incorporation
High Desert Gold Corporation	Canada
Gold Springs Resource Corp. (Delaware)	U.S.A.
Gold Springs LLC	U.S.A.

The results of each subsidiary will continue to be included in the consolidated financial statements of the Company until the date that the Company's control over the subsidiary ceases. All significant intercompany transactions and balances have been eliminated.

Recent accounting pronouncements

In April 2024, IASB issued IFRS 18, Presentation and Disclosure in Financial Statements to replace IAS 1, Presentation of Financial Statements. The aim of IFRS 18 is to set out requirements for presentation and disclosure of financial statements to ensure the entity provides relevant and accurate information about its assets, liabilities, equity, income and expenses. IFRS 18 is effective for the Company as of January 1, 2027.

3 Use of estimates, assumptions and judgments

In preparing these condensed interim consolidated financial statements, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2024.

4 Receivables and prepaids

	June 30, 2025	December 31, 2024
	\$	\$
GST receivable	2,438	3,665
Other prepaids and advances	213,336	84,125
	215,774	87,790

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Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

5 Mining claims and deferred exploration costs

Mining claims and deferred exploration costs are associated with the following projects:

	Gold Springs
	\$
Balance, December 31, 2023	24,847,410
Land and option payments	333,788
Laboratory	79,144
Field supplies	2,238
Camp	18,266
Geologists and personnel	80,895
Environmental and permitting	8,587
Travel and accommodation	20,566
Share-based payments	6,393
	549,877
Secured Rights consideration, net of transaction costs	-
Balance, December 31, 2024	25,397,287
Land and option payments	77,104
Laboratory	46,495
Field supplies	1,060
Camp	8,402
Geologists and personnel	42,413
Environmental and permitting	67,628
Travel and accommodation	6,914
Share-based payments	1,286
	251,302
Balance, June 30, 2025	25,648,589

Gold Springs, USA

The Gold Springs mineral property was acquired through the 2013 acquisition of High Desert Gold Corporation (“HDG”). The Company owns 100% of the Gold Springs property free of royalties except as noted below.

During the year ended December 31, 2017 the Company increased the size of the Gold Springs property by entering into lease and surface use agreements. Pursuant to the agreements, the Company has entered into a 30 year lease beginning on October 25, 2017 for the mineral rights on certain patented mining claims and a 30 year surface use agreement on certain homestead lands (“Homestake property”) upon payment as follows: \$41,035 paid on execution of the agreement, \$40,000 on October 25, 2018 (paid), \$45,000 on October 25, 2019 (paid), \$50,000 on October 25, 2020 (paid) and \$55,000 on each anniversary, subject to adjustment based on the US

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Consumer Price Index, until October 25, 2047 (amounts required to have been paid are current as of June 30, 2025).

Royalties

The Company is currently subject to two royalties on two of its property interests. Of the current defined resources, less than 1% are subject to royalties. Upon commencement of commercial production on the Homestake property, the Company is to pay the lessor a 3% net smelter returns royalty ("NSR"). The Company has the right and option, prior to commencement of commercial production, to buy back 0.5% of the net smelter returns royalty for the sum of \$1,000,000, payable within 60 days from and after commencement of commercial production. In addition, the Company entered into a separate mineral lease agreement (no contractual payments outstanding) which requires the Company to pay the lessor of the properties a 3% NSR on any Leased Substances mined and marketed by the Company from the applicable property.

Reclamation Deposit

As at June 30, 2025 the Company had \$593,983 (December 31, 2024 - \$593,983) of cash on direct deposit with Nevada and Utah land and environmental regulatory authorities for future remediation costs.

6 Restricted cash and redemption liability

On November 4, 2019 the Class B shares of the Company were redeemed for \$0.09827 per Class B share for an aggregate redemption amount of \$11,436,186. On May 9, 2023, the funds, previously held in trust with the Company's Transfer Agent, were returned to the Company as the Company has assumed the redemption payment obligation for the remaining eligible unredeemed Class B shares. At June 30, 2025, the remaining redemption liability was \$113,880 (December 31, 2024 - \$113,880).

7 Loan payable

In May 2020, the Company received \$29,320 (Cdn \$40,000) in the form of a Canada Emergency Business Account ("CEBA") loan. CEBA was part of the economic assistance program launched by the Government of Canada to ensure that businesses have access to capital during the COVID-19 pandemic and was only to be used to pay non-deferrable operating expenses. During the period from receipt of the CEBA loan to December 31, 2023 (previously December 31, 2022), the "Initial Term", no interest was charged on the amount outstanding. An extension to the interest free period was announced by the Government of Canada to extend the Initial Term from December 31, 2022 to January 18, 2024 (the "Government Announcement"). The Company did not repay the CEBA loan as of January 18, 2024, and accordingly, from January 19, 2024 to December 31, 2026 (the "Extended Term") interest is paid monthly at a rate of 5% per annum on the outstanding balance. The balance of the CEBA loan is fully repayable on or before the end of the Extended Term as it was not repaid on or before the end of the Initial Term.

As at June 30, 2025, the balance of the CEBA loan payable is \$29,320 (Cdn \$40,000) (December 31, 2024 - \$27,800 (Cdn \$40,000)). During the three and six months ended June 30, 2025, the Company recorded interest expense of \$364 and \$708, respectively, (2024 - \$334 and \$626, respectively) on the CEBA loan.

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Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited - Presented in U.S. dollars)

8 Share capital

Authorized

An unlimited number of Class A Common shares (“Common shares”) without par value and up to 127,328,790 Class B shares without par value. The holders of the Common shares are entitled to one vote per share. The holders of the Common shares are entitled to dividends, when and if declared by the directors of the Company. No dividends have ever been declared or paid as at June 30, 2025.

No Class B shares are outstanding as at June 30, 2025 (December 31, 2024 – nil) (Note 6).

Financings

There were no financing activities during the six months ended June 30, 2025.

During the year ended December 31, 2024, a total of 1,333,334 stock options were exercised for gross proceeds of \$82,816. A value of \$43,836 was transferred from the contributed surplus to share capital as a result. A further 300,000 options with an exercise value of \$26,150 were exercised by the CEO of the Company with the cost of exercise being offset against accounts payable owed by the Company to the CEO. Upon exercise of these options \$17,162, representing the previously recognized grant date fair value of the options exercised, was transferred from contributed surplus to share capital.

Stock options

The Company’s stock options outstanding as at June 30, 2025, and the changes for the six months then ended are as follows:

	Number of options	Weighted average exercise price (per share)	Weighted average remaining life (years)
		Cdn \$	
Balance – December 31, 2023	13,974,166	0.14	1.72
Granted ¹	6,125,000	0.075	
Exercised ²	(1,633,334)	0.09	
Expired	(2,378,333)	0.14	
Forfeited ³	(5,900,000)	0.08	
Balance – December 31, 2024	10,187,499	0.14	1.21
Expired	(4,250,000)	0.20	
Forfeited ⁴	(1,500,000)	0.08	
Balance – June 30, 2025	4,437,499	0.11	1.13
Exercisable – June 30, 2025	3,829,165	0.11	0.99

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For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

¹ Included in options granted during the year ended December 31, 2024 are (i) 2,000,000 options which vest subject to the Company's share price reaching target prices of \$0.25 by June 30, 2024 and \$0.50 by June 30, 2025 (forfeited); (ii) 1,000,000 options which vest subject to the Company closing the remaining \$6.7 million in Series A Secured Rights funding by December 31, 2024 (forfeited); (iii) 1,000,000 options which vest subject to the Company closing a total of \$20 million in Secured Rights funding by December 31, 2024 (forfeited) and (iv) 300,000 options which vest subject to the Company securing new funding, based on 100,000 options granted for each \$1 million raised, by December 31, 2024 (forfeited).

² 300,000 options were exercised for gross proceeds of \$26,150 to set off accounts payable. Upon exercise of the options \$17,162, representing the previously recognized grant date fair value of the options exercised, was transferred from contributed surplus to share capital. Weighted average trading price of the Company's shares on the dates of the exercises of options was Cdn. \$0.08.

³ 5,900,000 options were forfeited during the year ended December 31, 2024 as the vesting conditions were not achieved. As a result, \$14,509 of previously recognized share-based compensation expense was reversed and credited against share-based compensation expense in the consolidated statements of earnings (loss).

⁴ 1,500,000 options were forfeited at June 30, 2025 as the vesting conditions were not achieved. As a result, \$9,391 of previously recognized share-based compensation expense was reversed and credited against share-based compensation expense in the consolidated statements of earnings (loss).

During the three and six months ended June 30, 2025, the Company recognized a recovery of share-based payments of \$6,667 and recorded share-based payments of \$4,975, respectively, in respect of the vesting of previously granted stock options and forfeited stock options, of which a recovery of \$6,965 and an expense of \$3,689, respectively, (2024 – expense of \$20,079 and \$32,643, respectively,) was recorded as a charge to operations, and \$298 and \$1,286, respectively, was included in deferred exploration costs for the three and six months ended June 30, 2025 (2024 - \$2,665 and \$3,845, respectively).

No options were granted during the six months ended June 30, 2025.

The weighted average grant date fair value of 4,125,000 options, with no market conditions, granted during the year ended December 31, 2024 was \$0.03 per option. The fair value of each option grant during the year ended December 31, 2024 was estimated at the time of the grant using the Black-Scholes option pricing model with assumptions for grants as follows:

	2024
Weighted average exercise price	Cdn. \$0.075
Weighted average grant date share price	Cdn. \$0.075
Risk-free interest rate	3.35%
Expected life	3 years
Expected volatility	72%
Dividend rate	0%

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(Unaudited - Presented in U.S. dollars)

The weighted average grant date fair value of 2,000,000 options, with market conditions, granted during the year ended December 31, 2024 was \$0.006 per share. The fair value of each market condition option grant during the year ended December 31, 2024 was estimated at the time of the grant using a Barrier option pricing model with assumptions for grants as follows:

	2024
Weighted average exercise price	Cdn. \$0.075
Weighted average grant date share price	Cdn. \$0.075
Risk-free interest rate	3.59%
Expected life	3 years
Expected volatility	103%
Barrier range	Cdn. \$0.25 - \$0.50
Dividend rate	0%

The balance of options outstanding as at June 30, 2025 is as follows:

Expiry date	Exercise price Cdn\$	Number of options outstanding	Number of options exercisable
July 6, 2025*	0.165	1,383,333	1,383,333
August 17, 2026	0.085	1,229,166	1,229,166
June 17, 2027	0.075	1,825,000	1,216,666
		4,437,499	3,829,165

* On July 6, 2025, 1,383,333 options expired unexercised.

All of the outstanding options have associated share appreciation rights which allow the optionees to exercise their options on a cashless basis resulting in a lesser number of common shares to be issued to the optionee pursuant to their exercise.

Warrants

The Company's warrants outstanding as at June 30, 2025 and the changes for the six months then ended are as follows:

	Number of warrants	Weighted average exercise price (per share) Cdn \$	Weighted average remaining life (years)
Balance – December 31, 2023	300,000	0.13	1.11
Balance – December 31, 2024	300,000	0.13	0.11
Expired	(300,000)	0.13	-
Balance – June 30, 2025	-	-	-

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(Unaudited - Presented in U.S. dollars)

9 Related party transactions

Key management includes all the Officers and Directors of the Company. The compensation paid or payable to key management for services during the three and six months ended June 30, 2025 and 2024 is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Directors' fees	14,601	11,745	25,522	20,295
Professional and management fees*	60,310	59,790	113,617	98,289
Share-based payments (recoveries) **	(6,667)	23,923	4,974	36,487
	68,244	95,458	144,113	155,071

* An amount of \$20,200 and \$35,950 (2024 - \$13,950 and \$21,300) is capitalized to deferred exploration costs

** Includes amounts capitalized to deferred exploration costs (Note 8)

The Company's related parties consist of the Company's officers, directors and/or companies associated with them, including (i) Gowling WLG (Canada) LLP which is a legal firm in which Tina Woodside-Shaw, the Chair and a director of the Company, is a partner, (ii) Malaspina Consultants Inc. ("Malaspina"), a consulting company in which Killian Ruby, the CFO of the Company, is President & CEO, and (iii) Direct Consulting Solutions SA ("Direct"), a consulting company in which Antonio Canton, the President & CEO and a director of the Company, is the President & CEO. All transactions with related parties have occurred in the normal course of the Company's operations and have been measured at the exchange amounts agreed to by the Company and the related parties.

In addition to the related party transactions disclosed in Note 8, the Company incurred the following additional expenditures with related parties during the three and six months ended June 30, 2025 and 2024. All transactions with related parties have occurred in the normal course of the Company's operations and have been measured at the exchange amounts agreed to by the Company and the related parties:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Deferred financing fees	-	9,976	-	10,554
Professional fees	18,911	16,331	43,230	45,715
	18,911	26,307	43,230	56,269

Included in accounts payable, accrued and other liabilities at June 30, 2025 is an amount of \$974,507 (December 31, 2024 - \$754,730) due to related parties, which are non-interest bearing and have no specific terms of repayment. Included in accounts payable, accrued and other liabilities at June 30, 2025 are \$1,245,000 (December 31, 2024 - \$680,000) representing working capital advances, of which \$445,000 (December 31, 2024 - \$375,000) was provided by the CEO and President and a director of the Company (the "CEO").

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(Unaudited - Presented in U.S. dollars)

10 Contingencies and Pledge

The Company may be subject to various contingent liabilities that occur in the normal course of operations. The Company is not aware of any pending or threatened proceedings that would have a material adverse effect on the consolidated financial condition or future results of the Company.

Resource Expansion Financing Program

Under the terms of the Resource Expansion Program, the Company has given certain warranties and covenants to the Series A Secured Rights Investors, including a guarantee for its obligations under the funding agreement, and it has pledged 25% (December 31, 2024 – 25%) of the issued and outstanding shares of its U.S subsidiary corporation that beneficially owns the Gold Springs Project (the “Gold Spring Subsidiary”).

Under the terms of the Resource Expansion Financing Program, if the Company is subject to a successful hostile take-over bid the Series A Secured Rights Investors are entitled to receive a cash payment equal to 5 times their amount invested and if the Company fails to comply with general obligations of the Resource Expansion Program, the Investors are entitled to a similar payment.

11 Segment information

The Company’s operations are limited to a single industry segment, being mineral exploration and development. Geographic segment information of the Company’s assets and liabilities as at June 30, 2025 and December 31, 2024 is as follows:

	June 30, 2025	December 31, 2024
Identifiable assets		
	\$	\$
Canada	81,500	92,437
United States	26,449,379	26,092,471
Total assets	26,530,879	26,184,908
	June 30, 2025	December 31, 2024
Identifiable liabilities		
	\$	\$
Canada	2,007,607	1,333,684
United States	124,625	136,585
Total liabilities	2,132,232	1,470,269

Gold Springs Resource Corp.

(An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

Geographic segmentation of the Company's net loss for the three and six months ended June 30, 2025 and 2024 is as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Canada	(122,619)	(124,101)	(276,061)	(265,069)
United States	(11,298)	(55,849)	(25,290)	(76,041)
Net loss	(133,917)	(179,950)	(301,351)	(341,110)

12 Supplemental cash flow information

The Company conducted non-cash activities during the six months ended June 30, 2025 and 2024 as follows:

	June 30, 2025	June 30, 2024
	\$	\$
Investing activities		
Deferred exploration costs included in accounts payable	103,196	124,569
Deferred exploration costs included in accounts payable as at December 31, 2024 and 2023 respectively	(96,264)	(113,840)
Financing activities		
Exercise of options to offset accounts payable	-	26,150
Amounts transferred from contributed surplus to share capital on option exercise	-	(43,836)
Share-based payments included in deferred exploration costs	1,286	3,845

Other cash flow information relating to operating activities is presented below:

	June 30, 2025	June 30, 2024
	\$	\$
Cash paid for interest	(708)	(626)
Cash received for interest	390	1,085
Cash paid for taxes	-	-

Cash and cash equivalents as at June 30, 2025 and 2024 was comprised solely of cash.

13 Financial instruments

The Company's financial instruments as at June 30, 2025 consist of cash and cash equivalents, receivables, reclamation deposits, accounts payable, redemption liabilities, and loan payable which are all classified as amortized cost.

Gold Springs Resource Corp.

(An Exploration Stage Company)

Notes to the Condensed Interim Consolidated Financial Statements

For the three and six months ended June 30, 2025 and 2024

(Unaudited - Presented in U.S. dollars)

Fair Value of Financial Instruments

The Company classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 – Values based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

The Company's activities expose it to a variety of financial risks: market risk (including, primarily, currency risk and interest rate risk), credit risk and liquidity risk. There have been no changes in any risk management policies since December 31, 2024.

At June 30, 2025 the Company's primary exposure to financial instrument risk is from exposure to currency exchange rate risks to the extent of its activities in the U.S. and/or in currencies which are not the functional currency of the economic environment in which the Company or its subsidiaries operate. Based on this exposure as at June 30, 2025 a 5% change in exchange rates could give rise to a change in the net foreign exchange impacts by approximately \$80,000 (December 31, 2024 - \$44,000), which is primarily driven by the parent Company's USD and EUR accounts payable and accrued liabilities balance of \$1,415,837 and \$280,552 (EUR 238,768), respectively, at June 30, 2025 (December 31, 2024 – \$814,178 and \$162,600 (EUR 156,724), respectively), because the parent Company has a Canadian Dollar functional currency. The Company does not use derivative financial instruments to manage its foreign exchange exposure.

14 Subsequent event

Subsequent to June 30, 2025, 6,725,000 stock options were granted at an exercise price of Cdn\$0.09 per common share. 1,825,000 of the stock options granted vest as to (i) 1/3 immediately upon grant, (ii) 1/3 nine months from the date of grant and (iii) 1/3 eighteen months from the date of grant. 4,900,000 of the options granted will vest contingent upon the occurrence of certain milestones.