

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **BROOKMOUNT EXPLORATIONS, INC**

A **NEVADA** Corporation

**1 East Liberty, suite 600,**

**Reno NV, 89501**

**(775)5256012**

**www.brookmountgold.com**

**info@brookmountgold.com**

**1040**

**Quarterly** Report

**For the Period Ending: August 31, 2023**  
**(the "Reporting Period")**

As of October 19, 2023, the most recent date prior to reporting, the number of shares outstanding of our Common Stock was: 69,703,370.

As of the Reporting Date of August 31, 2023, the number of shares outstanding of our common Stock was: 62,703,370

As of November 30, 2022, the most recent completed fiscal year end, the number of shares outstanding of our Common Stock was: 41,063,718

As of November 30, 2021, the previous completed fiscal year end, the number of shares outstanding of our Common Stock was: 20,095,181

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes:                      No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes:                      No:

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

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<sup>1</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Yes:

No: X

**1) Name of the issuer and its predecessors (if any)**

In answering this item, please also provide any names used by predecessor entities and the dates of the name changes.

Brookmount Explorations, Inc.

No name change

No Predecessor Entities

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable) Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

Incorporated in Nevada on December 9, 1999. Active and in good standing.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

The address(es) of the issuer's principal executive office:

1 East Liberty, Suite 600 Reno, NV 89501

The address(es) of the issuer's principal place of business:

*Check box if principal executive office and principal place of business are the same address:*

The Company currently operates two individual mining sites located in the North Minahasa region of Sulawesi Province, Indonesia: One of these sites is located at Talawaan, near the regional capital Manado. The other site is located at Ratatotock, approximately three hours west of Manado by road. In addition, the Company also operated the Moosehorn Gold Project, comprising an area of approximately 6000 hectares, located southwest of Dawson City, Yukon, Canada

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes:

No:

**2) Security Information**

Trading symbol:

BMXI

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Exact title and class of securities outstanding: COMMON  
CUSIP: 114270  
Par or stated value: 0.001

Total shares authorized: 200,000,000 as of date: August 31,2023  
Total shares outstanding: 62,703,370 as of date: August 31,2023  
Number of shares in the Public Float<sup>2</sup>: 34,346,442 as of date: August 31,2023  
Total number of shareholders of record: 289 as of date: August 31,2023

*Additional class of securities (if any):*

Trading symbol:  
Exact title and class of securities outstanding:  
CUSIP:  
Par or stated value:  
Total shares authorized: \_\_\_\_\_ as of date:  
Total shares outstanding: \_\_\_\_\_ as of date:

#### Transfer Agent

Name: TRANSFER ONLINE, INC.  
Address: 512 SE Salmon St.  
Portland, OR 97214  
Phone: 503.227.2950  
Email: info@transferonline.com

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: X No:

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None.

### **3) Issuance History**

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

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<sup>2</sup> "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

<sup>3</sup> To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

**Please note The Company effected a 100:1 reverse stock split on 07/20/2020**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

**A. Changes to the Number of Outstanding Shares**

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods:

Number of Shares outstanding as of <u>December 1, 2019</u> <u>273,140,567</u>		Opening Balance: Common: <u>273,140,567</u> Preferred: <u>0</u>		Please refer below					
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
02-04-2020	New	1,000,000	Common	\$0.0035	Yes	Kym Newton	New Issue	Restricted	§4(a)(2)
03-26-2020	New	20,000,000	Common	\$0.001	Yes	The Chesapeake Group, Inc. (Tim Rieu, CEO)	New Issue	Restricted	§4(a)(2)
04-02-2020	New	1,000,000	Common	\$0.001	Yes	Jordan Kym Newton	New Issue	Restricted	Rule 506
04-02-2020	New	5,000,000	Common	\$0.001	Yes	Joseph Laxague	New Issue	Restricted	§4(a)(2)
04-08-2020	New	1,000,000	Common	\$0.001	Yes	Liam JayNewton	New Issue	Restricted	Rule 506
06-15-2020	New	10,000,000	Common	\$0.001	Yes	Zafer Sungur	New Issue	Unrestricted	Rule 506
06-17-2020	New	3,000,000	Common	\$0.001	Yes	Lara Ollquist	New Issue	Restricted	§4(a)(2)
07-23-2020	Reverse split 100:1	(310,999,149)	Common	\$0.001					n/a
07-27-2020	New	12	Common	\$0.001	Yes	Fast Balance CEDE & CO	New Issue	Unrestricted	[rounding adjustment on reversesplit]
08-07-2020	New	30,000	Common	\$0.001	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Funding Fee	Restricted	Rule 506

09-29-2020	New	200,000	Common	\$0.01	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Funding Fee	Restricted	Rule 506
10-13-2020	New	1,725,365	Common	\$0.087	Yes	The Chesapeake Group Inc. (Tim Rieu, CEO)	IR Services	Unrestricted	§4(a)(2)
10-13-2020	New	2,000,000	Common	\$0.087	Yes	Brett Morley	Debt Conv	Restricted	§4(a)(2)
10-13-2020	New	1,434,210	Common	\$0.087	Yes	Chendu Holdings PtyLtd (Hu ZengLi, beneficial owner)	Debt Conv	Restricted	Rule 506
10-13-2020	New	1,917,073	Common	\$0.087	Yes	Elysian Investments Holdings PtyLtd (Jane Cameron, beneficial owner)	Debt Conv	Restricted	Rule 506
10-13-2020	New	250,000	Common	\$0.087	Yes	Jan Verkade	Debt Conv	Restricted	Rule 506
10-13-2020	New	191,707	Common	\$0.087	Yes	Juhee sungur	Debt Conv	Unrestricted	Rule 506
10-13-2020	New	989,080	Common	\$0.087	Yes	Nicholas Medway	Debt Conv	Restricted	Rule 506
11-02-2020	New	25,000	Common	\$0.001	Yes	Transcontinental Marketing LLC (Juhee Sungur, President)	Debt Conv	Unrestricted	Rule 506
11-02-2020	New	150,000	Common	\$0.001	Yes	Dony Pulumoduyo	Employee Compensation	Restricted	§4(a)(2)
11-02-2020	New	30,000	Common	\$0.001	Yes	Herbert Adamczyk	Advisory Services	Restricted	§4(a)(2)
11-02-2020	New	30,000	Common	\$0.001	Yes	John Newman	Advisory Services	Restricted	§4(a)(2)
11-02-2020	New	30,000	Common	\$0.001	Yes	Justin Simpson	Employee Compensation	Restricted	§4(a)(2)
11-02-2020	New	250,000	Common	\$0.001	Yes	Mark Hayman	Advisory Services	Restricted	§4(a)(2)

11-13-2020	New	120,000	Common	\$0.001	Yes	Nicholas RBryan	Consulting Services	Restricted	§4(a)(2)
01-20-2021	New	22,500	Common	\$0.001	No	Milestone Management Servicel LLC: Jonathan Olson	Investor relations services	restricted	§4(a)(2)
02-23-2021	New	50,000	Common	\$0.001	No	Christopher Lim	Employee compensation	restricted	§4(a)(2)
02-10-2021	New	70,000	Common	\$0.001	No	Nicholas Medway	Director compensation	restricted	§4(a)(2)
02-10-2021	New	50,000	Common	\$0.001	No	Frederick Kempson	Director compensation	Restricted	§4(a)(2)
04-08-2021	New	500,000	Common	\$0.001	Yes	Chesapeake Group (Tim Rieu, CEO)	Investor Relations	Restricted	§4(a)(2)
05-19-2021	New	1,000	Common	\$0.001	No	Lawrence Sufryn	Conversion	Restricted	§4(a)(2)
08-18-2021	New	87,816	Common	\$0.001	No	Leonite Capital LLC (Avi Geller, Chief Investment Officer)	New Issue	Restricted	§4(a)(2)
11-16-2021	New	4,500,000	Common	\$0.001	Yes	Gennex Gold Corp (Errin Kimbal)	New Issue	Restricted	Rule 506
12-16-21	New	127,306	Common	\$0.001	Yes	Leonite Capital LLC (Avi Geller, Chief Investment Officer)	Note conversion	Unrestricted	Rule 506
01-03-2022	New	882,912	Common	\$0.001	Yes	Greentree Financial Group, Inc. (Chris Cottone, Vice President)	Note conversion	Unrestricted	Rule 506

01-25-2022	New	800,000	Common	\$0.001	No	Greentree Financial Group, Inc. (Chris Cottone, Vice President)	New Issue	Unrestricted	Rule 506
01-25-2022	New	1,500,000	Common	\$0.001	No	SRAX, Inc. (Randy Ferrell)	New Issue	Restricted	Rule 506
03-09-2022	New	127,306	Common	\$0.001	Yes	Leonite Capital LLC (Avi Geller, Chief Investment Officer)	Note conversion	Unrestricted	Rule 506
03-10-2022	New	433,456	Common	\$0.001	Yes	Leonite Capital LLC (Avi Geller, Chief Investment Officer)	Note conversion	Unrestricted	Rule 506
03-21-2022	New	200,000	Common	\$0.001	Yes	Brett Morley	New Issue	Restricted	§4(a)(2)
03-21-2022	New	250,000	Common	\$0.001	Yes	Erin Kimball	New Issue	Restricted	§4(a)(2)
03-21-2022	New	200,000	Common	\$0.001	Yes	Fred Kempson	New Issue	Restricted	§4(a)(2)
03-21-2022	New	200,000	Common	\$0.001	Yes	Fred Kempson	New Issue	Restricted	§4(a)(2)
03-21-2022	New	500,000	Common	\$0.001	Yes	Nils A Ollquist	New Issue	Restricted	§4(a)(2)
03-21-2022	New	150,000	Common	\$0.001	Yes	Zafer sungur	New Issue	Restricted	§4(a)(2)
03-21-2022	New	416,667	Common	\$0.12	No	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	New Issue	Unrestricted	Regulation A
03-22-2022	New	150,000	Common	\$0.001	Yes	Ioannis Petratos	New Issue	Restricted	§4(a)(2)
03-22-2022	New	416,666	Common	\$0.12	No	AES Capital Colorado AES Capital Management (Eli Fireman)	New Issue	Unrestricted	Regulation A
04-05-2022	New	500,000	Common	\$0.12	No	Greentree Financial Group, Inc. (Chris Cottone, Vice President)	New Issue	Unrestricted	Regulation A

06-15-2022	New	250,000	Common	\$0.001	Yes	Kempson Capital Pty Ltd (Fred Kempson)	New Issue	Restricted	§4(a)(2)
06-15-2022	New	250,000	Common	\$0.001	Yes	Nichols Medway	New Issue	Restricted	§4(a)(2)
06-15-2022	New	750,000	Common	\$0.001	Yes	Nils A Ollquist	New Issue	Restricted	§4(a)(2)
06-15-2022	New	250,000	Common	\$0.001	Yes	Zafer Sungur	New Issue	Restricted	§4(a)(2)
6-15-2022	New	250,000	Common	\$0.001	Yes	Ioannis Petratos	New Issue	Restricted	§4(a)(2)
07-28-2022	New	500,000	Common	\$0.001	Yes	Chesapeake Group Inc (TimRieu, CEO)	New Issue	Restricted	§4(a)(2)
08-22-2022	New	416,666	Common	\$0.12	Yes	AES Capital Management LLC (Eli Fireman)	New Issue	Unrestricted	Regulation A
08-22-2022	New	400,000	Common	\$0.12	Yes	Greentree Financial Group Inc (Chris Cottone, Vice President)	New Issue	Unrestricted	Regulation A
08-22-2022	New	833,333	Common	\$0.12	Yes	Scottsdale Capital Advisors Corp (John Busacca, CEO)	New Issue	Unrestricted	Regulation A
08-26-2022	New	416,675	Common	\$0.12	Yes	Quick Capital LLC (Eilon Natan)	New Issue	Unrestricted	Regulation A
08-31-2022	New	833,333	Common	\$0.12	Yes	AES Capital Colorado (Eli Fireman)	New Issue	Unrestricted	Regulation A
07-25-2022	New	400,000	Common	\$0.029	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
07-27-2022	New	2,617,241	Common	\$0.029	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506



08-01-2022	New	2,617,241	Common	\$0.029	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
08-22-2022	New	2,796,402	Common	\$0.029	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
08-26-2022	New	833,333	Common	\$0.12	Yes	Scottsdale Capital Advisors Corp (John Busacca, CEO)	New Issue	Unrestricted	Regulation A
10-11-2022	New	2,000,000	Common	\$0.001	Yes	Ramon Pedrosa Lopez	New Issue	Restricted	§4(a)(2)
12-19-2022	New	2,000,000	Common	\$0.001	Yes	Ioannis Petratos	New Issue	Restricted	§4(a)(2)
12-29-2022	New	4,302,065	Common	\$0.75	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
01-16-2023	New	2,871,171	Common	\$0.75	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
01-25-2023	New	250,000	Common	\$0.001	Yes	Kym Newton	New Issue	Restricted	§4(a)(2)
01-25-2023	New	250,000	Common	\$0.001	Yes	MJ & MP Forrest Investments Pty Ltd (Jeff Shaw)	New Issue	Restricted	Rule 506
01-26-2023	New	2,038,137	Common	\$0.12	Yes	AES Capital Management LLC (Eli Fireman)	Note conversion (Rule 144)	Unrestricted	Rule 506
03-09-2023	New	1,500,000	Common	\$0.10	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
03-09-2023	New	428,279	Common	\$0.10	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506

03-22-2023	New	2,000,000	Common	\$0.10	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
04-25-2023	New	2,000,000	Common	\$0.10	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
05-19-2023	New	2,000,000	Common	\$0.10	Yes	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
07-31-2023	New	2,000,000	Common	\$0.10		Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Note conversion (Rule 144)	Unrestricted	Rule 506
Shares Outstanding on August 31., 2023:	<u>Ending Balance:</u> Common: 62,703,370 Preferred: 0 —								

**Example:** A company with a fiscal year end of December 31<sup>st</sup>, in addressing this item for its quarter ended September 30, 2018, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2016 through September 30, 2018 pursuant to the tabular format above.

Use the space below to provide any additional details, including footnotes to the table above:

- All issuances of common shares made at par unless otherwise indicated.
- Individuals with voting control indicated in parentheses.

## B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

Check this box if there are no outstanding promissory, convertible notes or debt arrangements:

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued(\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed)	Reason for Issuance (e.g. Loan, Services, etc.)
August 7, 2020	58,000	58,000	USD 19,306	May 7, 2021	\$0.75 /share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	WorkingCapital
October 7, 2020	50,000	50,000	USD 16,368	July 7, 2021	\$0.75 /share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	WorkingCapital
December 2020	50,000	50,000	USD 16,352	September 2, 2021	\$0.75 /share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	WorkingCapital
March 23, 2021	50,000	50,000	USD 16,726	December 23, 2021	\$0.75 /share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	WorkingCapital
June 25, 2021	205,556	205,556	USD 74,483	March 25, 2022	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital
August 3, 2022	97,000	97,000	USD 4,167	February 3, 2023	Discount to the lowest trading price as reported on the OTC Marketplace for the ten prior trading days including the day upon which a notice of conversion is delivered to the Company or its transfer agent.	AES Capital Management, LLC (Eli Fireman)	Working Capital
January 5, 2023	50,000	50,000	USD 3,983	October 5, 2023	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital
February 3, 2023	50,000	50,000	USD 3,499	November, 3, 2023	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital

March 14, 2023	50,000	50,000	USD 2,850	December 14, 2023	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital
April 5, 2023	25,000	25,000	USD 1,242	January 5, 2024	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital
April 19, 2023	25,000	25,000	USD 1,125	January 19, 2024	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital
April 25, 2023	25,000	25,000	USD 1,075	January 25, 2024	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital
April 25, 2023	25,000	25,000	USD 1,050	December 19, 2024	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital
May 19, 2023	50,000	50,000	USD 875	November, 3, 2023	Discount to the lowest trading price as reported on the OTC Marketplace for the ten prior trading days including the day upon which a notice of conversion is delivered to the Company or its transfer agent.	AES Capital Management, LLC (Eli Fireman)	Working Capital
August 31, 2023	7,500	7,500	USD-	January 31, 2024	\$0.75 / Share	Leonite Capital, LLC (Avi Geller, Chief Investment Officer)	Working Capital

Use the space below to provide any additional details, including footnotes to the table above:

#### 4) Financial Statements

A. The following financial statements were prepared in accordance with:

X U.S. GAAP  
IFRS

<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

B. The financial statements for this reporting period were prepared by (name of individual)<sup>4</sup>:

Name: Chris Lim  
Title: Chief Financial Officer  
Relationship to Issuer: As above

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Statement of Changes in Shareholders' Equity;
- G. Financial notes; and
- H. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

**Quarterly Financial Statements for August 31, 2023 attached hereto are incorporated herein by reference.**

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

## **5) Issuer's Business, Products and Services**

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

Brookmount Explorations, Inc. is an operator of producing gold properties in the Republic of Indonesia. The Company currently operates 2 gold producing properties in volcanic hosted sediment within the tropical rain forest region of Sulawesi Province in north east Indonesia and is in the process of acquiring additional high grade properties in the area, which was originally surveyed and developed by Newmont Mining of the U.S. The Company is incorporated in Nevada and was organized for the purpose of acquiring, exploring and developing mineral properties. In 2019, the Company entered into a joint venture with a Taiwanese operator under the terms of which the operator agreed to construct and operate leach pads and associated processing facilities utilizing ore sourced from the Company's properties, with profits from gold sales shared between the parties on a 70(operator)/30(Company) basis. Production under these arrangements commenced in December 2019.

On June 4, 2021, the Company entered into a Securities Exchange Agreement with the shareholders of 2206555 Alberta Inc., an Alberta company acting as Gennex Gold and having 100% ownership rights to the Moosehorn Gold Project, comprising an area of approximately 6000 hectares, together with accommodation camp, airstrip, fuel depot and heavy equipment, located southwest of Dawson City, Yukon, Canada ("the Project") to exchange 100% of the Gennex Shares for a 25% interest in the shares of the Company, calculated on a fully diluted basis ("Equity Consideration"), together with a commitment from the Company to invest not less than US\$1,650,000 for the purchase of the property and in further development of the operations of the Project and a 2.5% Net Smelter Royalty. This transaction has closed. The property is exploratory and without known reserves. Currently, the Yukon Territory

Facility is in the exploration stage.

On 15 August, the Company finalized the acquisition of a gold bearing property designated the McArthur Creek Project. The property, located on the Alaska USA side of the Tintina Gold Belt, is contiguous with the Company's Moosehorn property in the Yukon (Canada) and contains a 250 HA reserve of high quality ore, located in placer and hard rock deposits, similar to Moosehorn. McArthur Creek, a significant gold bearing water course, is designated as Kenyon Creek in the Yukon part of the Tintina Gold Belt. The newly acquired property features direct access from Moosehorn to the Trans Alaska Highway, greatly improving access for heavy equipment, such as crushers and ball mills, inward to the site, and ore and ore concentrate outward to refineries situated on the Yukon side of the border.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of such entity's business, contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

The Company's interest in the Moosehorn Gold Project is owned through its wholly-owned subsidiary, 2206555 Alberta Inc., an Alberta company d/b/a as Gennex Gold.

- C. Describe the issuers' principal products or services, and their markets

The Company's business encompasses the exploration, extraction, processing and sale of gold bullion through locally based trading houses.

## 6) Issuer's Facilities

The Company's operations are carried out through the excavation and processing of volcanic hosted gold bearing ore in 2 separate locations in Sulawesi Province, Republic of Indonesia. The company operates a floatation based processing facility adjacent to its 25 HA gold reserve situated in a tropical rain forest area close to the airport at Manado regional capital, with surface and subsurface consisting of medium to high grade ore of 1.5-2.5 grams/tonne. Processing equipment at this location comprises a state of the art platform for processing of ore through to smelting of phase 2 finished product which represents gold with a purity level of 99%, and includes ore crushers and ball mills, 5 high capacity floatation tanks, onsite power generation and plumbing facilities including tailing ponds, as well as off-site smelting facilities. The Company has invested approximately \$500k in an exclusive 20 year operating agreement for this facility, including unrestricted access to the volcanic sediment hosted ore contained in the 25 HA site.

The Company also owns a heap leach processing facility approximately 3 hours by road from the Manado operation. This facility has been acquired by The Company and comprises 17 HA of ore reserve, in 2 separate titles, together with a 10,000 tonne heap leach pad and associated plumbing with tailing ponds, power generation, carbon filtration unit, and onsite accommodation for workers and security guards.

The Company also owns facilities in situ at its gold area in Yukon, including, fuel storage facilities, mining camp, power generating equipment, heavy excavation equipment and airstrip.

## 7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
Nils Ollquist	Executive Director/CEO	Armadale, VIC, 3143	1,250,000	common	2.87%	
Jan Verkade	Shareholder	Hing Keng Shek Village rd Clearwater Bay, NT Hong Kong SAR	2,217,073	common	5.09%	
Brett Morley	Shareholder (former director; Resigned September 14, 2022)	6B Onda Court, 26 Costa Ave, Discovery Bay, NT Hong Kong SAR	2,195,365	common	5.04%	
Nicholas Medway	Director & Secretary	Douglas Pde. Williamstown, Vic. Australia	841,707	common	1.93%	
Errin Kimball	Director & Officer	Edmonton, Canada	4,750,000	Common	10.90%	Beneficial shareholder thru Gennex Corp
Fred Kempson	Director	Wyndora Ave Freshwater, NSW Australia	200,000	Common	0.46%	
Ioannis Petratos	Director	1311/1811 A'Beckett St, Melbourne, VIC, Australia	2,400,000	Common	5.51%	
Christopher Lim	CFO	Mt. Waverly, Victoria	100,000	Common	0.23%	Beneficial through Chris Lim Accounting Solutions Pty Ltd

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

NA

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

NA

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

3. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

NA

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

NA

## 9) Third Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

### Securities Counsel

Name: Joe Laxague  
Firm: The Crone Law Group, PC  
Address 1: 1 East Liberty  
Address 2: Reno NV 89501  
Phone: (775)2345221  
Email: jlaxague@cronelawgroup.com

### Accountant or Auditor

Name: Ankit Jain  
Firm: Mercurius & Associates, LLP (formerly AJSH LLP)  
Address 1: A-94/8 Wazirpur Industrial Area,  
Address 2: New Delhi 110052, India  
Phone: 91 9810661322  
Email: ankit@ajsh.in

### Investor Relations Consultant

Name: Ramon Pedrosa  
Firm: Pedrosa Group SA  
Address 1: Creu Roja 1  
Address 2: Valencia, Spain 46014  
Email: rpl@pedrosa.uk

### Other Service Providers



Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

N/A.

## 10) Issuer Certification

*Principal Executive Officer:*

I, Nils Ollquist, certify that:

1. I have reviewed this quarterly disclosure statement of Brookmount Explorations, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

October 20, 2023

/s/   
\_\_\_\_\_  
[CEO's Signature]


Nils Ollquist

*Principal Financial Officer:*

I, Christopher Lim, certify that:

1. I have reviewed this quarterly disclosure statement of Brookmount Explorations, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

October 20, 2023

/s/   
\_\_\_\_\_  
[CFO's Signature]

Christopher Lim

**BROOKMOUNT EXPLORATIONS, INC  
CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE QUARTERS  
ENDED AUGUST 31, 2023 AND  
2022**

Brookmount Explorations, Inc.

Unaudited Consolidated Balance Sheet as at  
August 31, 2023

	August 2023 \$'000	November 2022 \$'000
<b>Assets</b>		
Cash and cash equivalents	64	182
Inventory	3,500	3,200
<b>Total current assets</b>	<b>3,564</b>	<b>3,382</b>
Property, plant and equipment, net of accumulated depreciation and amortization	6,150	3,400
Investment in Talawaan Project	500	500
Land Usage rights	10,500	9,850
Receivable due from non affiliate	17,708	13,390
<b>Total non-current assets</b>	<b>34,902</b>	<b>27,140</b>
<b>Total assets</b>	<b>38,422</b>	<b>30,522</b>
<b>Liabilities and Stockholders' Equity/(Deficit)</b>		
<b>Liabilities</b>		
Accounts payable	448	259
Convertible notes	300	217
Warrants	-	-
Derivative liabilities	-	-
Income taxes payable	175	1,250
<b>Total current liabilities</b>	<b>923</b>	<b>1,726</b>
Unpaid capital commitments	244	244
<b>Total non-current liabilities</b>	<b>244</b>	<b>244</b>
<b>Total liabilities</b>	<b>1,167</b>	<b>1,970</b>
<b>Equity</b>		
Common stock		
Authorized: \$0.001 par value, 2,000,000,000 shares authorized		
Issued and outstanding: 62,703,370	\$281,568	\$259,929
Additional paid in capital	3,477	1,720
Adjustments to equity to reflect retroactive application of reverse acquisition of accounting	(911)	(911)
Accumulated profits	34,407	27,483
<b>Total stockholders' equity</b>	<b>37,255</b>	<b>28,552</b>
<b>Total liabilities and stockholders' equity</b>	<b>38,422</b>	<b>30,552</b>

## Brookmount Explorations, Inc.

### Unaudited Consolidated Statement of Operations For the quarter ended August 31, 2023

	3 months ended August 31, 2023 \$'000	3 months ended August 31, 2022 \$'000
<b>Revenue</b>		
Sales	4,850	4,530
Cost of sales	(1,697)	(1,463)
<b>Gross profit</b>	<u>3,153</u>	<u>3,067</u>
<b>Operating expenses</b>		
Depreciation and amortization	52	115
Selling, general and administrative expenses	406	375
Total operating expenses	<u>458</u>	<u>490</u>
Interest expense	22	13
Amortisation on discount of convertible notes.	-	5
Fair value adjustment of warrant liabilities		(2)
Total other expenses	<u>22</u>	<u>16</u>
<b>Income/(loss) from continuing operations before income tax expenses</b>	<u>2,673</u>	<u>2,561</u>
Provision for income tax	(85)	(125)
<b>Net income/(loss) after income tax expense for the period</b>	<u>2,588</u>	<u>2,436</u>
<b>Other comprehensive income /(loss)</b>		
Other comprehensive income/(loss)	-	-
<b>Total comprehensive income/(loss) for the period</b>	<u>2,588</u>	<u>2,436</u>

**Unaudited Consolidated Statement of Changes in Stockholders' Equity**  
**For the year ended August 31, 2023 and 2022**

	Common Stock		Additional Paid in Capital \$'000	Other Comprehensive Income \$'000	Accumulated Profits \$'000	Adjustments to equity to reflect retroactive application of reverse acquisition accounting \$'000	Total Equity \$'000
	Shares	Amount \$'000					
<b>Balance at November 30, 2021</b>	<b>17,795,181</b>	<b>237</b>	<b>737</b>	-	<b>19,985</b>	<b>(911)</b>	<b>20,048</b>
Income after income tax expense for the period	-	-	-	-	1,927	-	1,927
New Share issuance (800,000 shares @ USD 0.114/Share)	800,000	1	90	-	-	-	91
New Share issuance (1,500,000 shares @ USD0.001/Share)	1,500,000	1	-	-	-	-	1
Total comprehensive	-	-	-	-	-	-	-
Income for the period	2,300,000	2	90	-	1,927	-	2,019
<b>Balance at February 28, 2022</b>	<b>20,095,181</b>	<b>239</b>	<b>827</b>	-	<b>21,912</b>	<b>(911)</b>	<b>22,067</b>
Income after income tax expense for the period	-	-	-	-	1,909	-	1,909
New Share issuance (1,650,000 shares @ USD 0.001/Share)	1,650,000	2	90	-	-	-	2
New Share issuance (1,333,333 shares @ USD0.12/Share)	1,333,333	1	159	-	-	-	160
Total comprehensive	-	-	-	-	-	-	-
Income for the period	2,983,333	3	159	-	1,909	-	2,071
<b>Balance at May 31, 2022</b>	<b>23,078,514</b>	<b>242</b>	<b>986</b>	-	<b>23,821</b>	<b>(911)</b>	<b>24,138</b>
Income after income tax expense for the year	-	-	-	-	2,436	-	2,436
New Share issuance (1,750,000 shares @ USD 0.001/Share)	1,750,000	2	-	-	-	-	2
New Share issuance (3,733,340 shares @ USD 0.12/Share)	3,733,340	4	444	-	-	-	448
New Share issuance (10,501,864 shares @ USD 0.029/Share)	10,501,864	10	290	-	-	-	300
Total comprehensive	-	-	-	-	-	-	-
Income for the period	15,985,204	16	734	-	2,436	-	3,186
<b>Balance at August 31, 2022</b>	<b>39,063,718</b>	<b>258</b>	<b>1,720</b>	-	<b>26,257</b>	<b>(911)</b>	<b>27,324</b>

	Common Stock						
	Shares	Amount \$'000	Additional Paid in Capital \$'000	Other Comprehensive Income \$'000	Accumulated Profits \$'000	Adjustments to equity to reflect retroactive application of reverse acquisition accounting \$'000	Total Equity \$'000
<b>Balance at November 30, 2022</b>	<b>41,063,718</b>	<b>260</b>	<b>1,720</b>	-	<b>27,483</b>	<b>(911)</b>	<b>28,552</b>
Income after income tax expense for the year	-	-	-	-	2,129	-	2,129
New Share issuance (2,500,000 shares @ USD 0.01/Share)	2,500,000	3	-	-	-	-	3
New Share issuance (7,173,236 shares @ USD 0.075/Share)	7,173,236	7	531	-	-	-	538
New Share issuance (2,038,137 shares @ USD 0.12/Share)	2,038,137	2	243	-	-	-	245
Total comprehensive	-	-	-	-	-	-	-
Income for the period	2,500,000	12	774	-	2,129	-	2,915
<b>Balance at February 28, 2023</b>	<b>52,775,091</b>	<b>272</b>	<b>2,494</b>	-	<b>29,612</b>	<b>(911)</b>	<b>31,467</b>
Income after income tax expense for the year	-	-	-	-	2,207	-	2,207
New Share issuance (7,928,279 shares @ USD 0.10/Share)	7,928,279	8	785	-	-	-	793
Total comprehensive	-	-	-	-	-	-	-
Income for the period	7,928,279	8	785	-	2,207	-	3,000
<b>Balance at May 31, 2023</b>	<b>60,703,370</b>	<b>280</b>	<b>3,279</b>	-	<b>31,819</b>	<b>(911)</b>	<b>34,467</b>
Income after income tax expense for the year	-	-	-	-	2,588	-	2,588
New Share issuance (2,000,000 shares @ USD 0.10/Share)	2,000,000	2	198	-	-	-	200
Total comprehensive	-	-	-	-	-	-	-
Income for the period	-	2	198	-	2,588	-	2,788
<b>Balance at August 31, 2023</b>	<b>60,703,370</b>	<b>282</b>	<b>3,477</b>	-	<b>34,407</b>	<b>(911)</b>	<b>37,255</b>

**Unaudited Consolidated Statement of Cash Flows  
For the year ended August 31, 2023**

	<b>3 months ended Aug 31, 2023</b>	<b>3 months ended Aug 31, 2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Cash flows from operating activities:</b>		
Net income/(Loss)	2,588	2,436
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	52	115
Fair value adjustment of warrant	-	(3)
Amortization of discount on convertible notes	-	5
	-	
Net changes in operating assets and liabilities		
(Increase)/Decrease in inventory	200	(800)
Increase/(Decrease) in account payable	35	13
(Increase)/Decrease in unpaid capital commitments	-	-
(Increase)/Decrease in non affiliate loans	1,912	825
Increase/(Decrease) in tax provision	23	(945)
Net cash used in operating activities	<b>986</b>	<b>1,646</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant & equipment	(1,052)	(745)
Payments for Land Usage Rights	-	(1,000)
Net cash used in investing activities	<b>(1,052)</b>	<b>(1,745)</b>
<b>Cash flows from financing activities</b>		
Proceeds from Convertible Notes	8	65
Proceeds from share issuance	-	450
Net cash provided by financing activities	<b>8</b>	<b>515</b>
Net increase/(decrease) in cash and cash equivalents	(58)	416
Cash and cash equivalents at the beginning of period	122	35
<b>Cash and cash equivalents at the end of period</b>	<b>64</b>	<b>451</b>

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **1.1. Nature of Operations**

Following its merger with SL Holdings Ltd, the Company is now an operator of producing gold properties in the Republic of Indonesia. The Company currently operates 2 gold producing properties in volcanic hosted sediment within the tropical rain forest region of Sulawesi Province in north east Indonesia and is in the process of acquiring additional high grade properties in the area, which was originally surveyed and developed by Newmont Mining of the US. The Company is incorporated in Nevada and was organized for the purpose of acquiring, exploring and developing mineral properties. The Company is in the process of increasing the processing rates of ore on its properties and focusing on increasing yields and is looking to secure financing to acquire additional producing facilities in the Indonesia.

#### *Basis of Presentation*

These unaudited financial statements of the Company have been prepared by Management. These financial statements have been prepared in accordance with the accounting principles generally accepted in the United States ("GAAP").

### **1.2. Recent Accounting Pronouncements**

The Company continually assesses any new accounting pronouncements to determine their applicability to the Company. Where it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes a study to determine the consequence of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financials properly reflect the change. The Company currently does not have any recent accounting pronouncements that they are studying and feel may be applicable.

### **1.3. Use of Estimates and Assumptions**

The preparation of these financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

### **1.4. Reverse Acquisition Accounting**

In accordance with "reverse acquisition" accounting treatment, our historical financial statements as of period ends, and for periods ended, prior to the Acquisition will be replaced with the historical financial statements of SL Group Holdings, Limited ("SL Group"), in all future filings with the SEC. Consequently retroactive adjustments have been made to the equity balances of SL Group to reflect the equity balances of the legal parent company Brookmount Explorations, Inc. as required under ASC 805 and the application of reverse acquisition accounting.

### **1.5. Foreign Currency Translation**

The consolidated financial statements are presented in United States dollars. In accordance with the standard, "Foreign Currency Translation", foreign denominated monetary assets and liabilities are translated into their United States dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Revenue and expenses are translated at average rates of exchange during the year. Gains or losses resulting from foreign currency transactions are included in results of operations.



### **1.6. Environmental Costs**

Expenditures that relate to an existing condition caused by past operations, and which do not contribute to current or future revenue generation, are expensed. Liabilities are recorded when environmental assessments and/or remedial efforts are probable, and the cost can be reasonably estimated. Generally, the timing of these accruals coincides with the earlier of completion of a feasibility study or the Company's commitments to plan of action based on the then known facts.

### **1.7. Principles of Consolidation**

The unaudited consolidated financial statements include the Company's accounts and those of the Company's wholly-owned subsidiary. All significant intercompany accounts and transactions have been eliminated in consolidation.

### **1.8. Cash and Cash Equivalents**

The Company considers cash deposits and all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

### **1.9. Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and are comprised of assets utilized in the processing and refining of ore into phase 1 and 2 gold production. These assets include electrical and plumbing infrastructure and equipment, on site facilities and buildings and general equipment. Depreciation is calculated using the straight-line method over the estimated useful life of the assets.

### **1.10. Fair Value of Financial Instruments**

The Company adopted Accounting Standards Codification ("ASC") ASC 820, "Fair Value Measurements and Disclosures" ("ASC 820"), for assets and liabilities measured at fair value on a recurring basis. ASC 820 establishes a common definition for fair value to be applied in accordance with accounting principles generally accepted in the United States of America that requires the use of fair value measurements, establishes a framework for measuring fair value and expands disclosure about such fair value measurements. ASC 820 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Additionally, ASC 820 requires the use of valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

These inputs are prioritized below:

- Level 1: Observable inputs such as quoted market prices in active markets for identical assets or liabilities
- Level 2: Observable market-based inputs or unobservable inputs that are corroborated by market data.
- Level 3: Unobservable inputs for which there is little or no market data, which require the use of the reporting entity's own assumptions.

The Company analyzes all financial instruments with features of both liabilities and equity under the Financial Accounting Standard Board's ("FASB") accounting standard for such instruments. Under this standard, financial assets and liabilities are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The carrying amounts reported in the condensed consolidated balance sheets for cash, and accounts payable, approximate their estimated fair values based on the short-term maturity of these instruments.

### **Convertible notes payable and Common stock warrant liability**

#### **Level 3**

Convertible Notes Payable	\$299,908
Warrant to purchase common stock	\$118

Our Level 3 financial liabilities consist of convertible notes payable (the "Notes") and warrants for the purchase of common stock, all of which were issued as detailed below:

- (i) On August 7, 2020 we entered into a Securities Purchase Agreement with one person, pursuant to which we sold (i) convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 to be drawn in tranches and (ii) Warrants to purchase up to an aggregate of 50,000 shares of our common stock at an initial exercise price of \$1.00 per share .
- (ii) On October 7, 2020, a further \$50,000 in a second tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above.
- (iii) On December 2, 2020, a further \$50,000 in a third tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above.
- (iv) On March 23, 2021, a further \$50,000 in a fourth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above.
- (v) On June 25, 2021, a further \$175,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.
- (vi) On August 3, 2022, we entered into a 4% convertible redeemable note with one person, in the aggregate of \$97,000.
- (vii) On January 5, 2023, a further \$50,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.
- (viii) On February 3, 2023, a further \$50,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.
- (ix) On March 14, 2023, a further \$50,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.

- (x) On April 5, 2023, a further \$25,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.
- (xi) On April 19, 2023, a further \$25,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.
- (xii) On April 25, 2023, a further \$25,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.
- (xiii) On April 28, 2023, a further \$25,000 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.
- (xiv) On May 19, 2023, we entered into a 4% convertible redeemable note with one person, in the aggregate of \$25,000.
- (xv) On August 31, 2023, a further \$7,500 in a fifth tranche was drawn down from the Securities Purchase Agreement with one person, pursuant to which we sold convertible senior secured convertible promissory notes dated August 7, 2020 in the aggregate principal amount of \$568,182 as per (i) above amended on June 25, 2021.

The fair values of these liabilities as of their issuance date and the subsequent measurement date of November 30, 2021 were determined utilizing a Black-Scholes valuation model, which requires use of unobservable inputs. The inputs are determined by management, with the assistance of independent experts; they represent our best estimates, but involve certain inherent uncertainties. We used the market value of the underlying stock, a life equal to the contractual life of the financial instrument, incremental borrowing rates and bond yields that correspond to instruments of similar credit worthiness and the instrument's remaining life, an estimate of volatility based on the historical prices of our trading securities, and we made assumptions as to our abilities to test and commercialize our product(s), to obtain future financings when and if needed, and to comply with the terms and conditions of our Notes.

A significant change in the market price per share, expected volatility, or bond yield of equivalent securities, in isolation, would result in significantly higher or lower fair value measurements. In combination, changes in these inputs could result in a significantly higher or lower fair value measurement if the input changes were to be aligned, or could result in a minimally higher or lower fair value measurement if the input changes were of a compensating nature.

### **1.1. Income Taxes**

The Company accounts for income taxes using the asset and liability method. Accordingly, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in the tax rate is recognized in income or expense in the period that the change is effective. Tax benefits are recognized when it is probable that the deduction will be sustained. A valuation allowance is established when it is more likely than not that all or a portion of a deferred tax asset will either expire before the Company is able to realize the benefit, or that future deductibility is uncertain.

The Company submits tax returns to local and provincial agencies in Indonesia but does not generate revenue in the US and as such, is not required to submit a US tax return. Uncertain tax positions taken on the Company's tax returns will be accounted for as liabilities for unrecognized tax benefits. The Company will recognize interest and penalties, if any, related to unrecognized tax benefits in general and administrative expenses in the statements of operations.

## **1.2. Inventory**

Inventory is valued at a rate based on the market equivalent of the prevailing gold price which is continually variable. Inventory production cost is determined using a matrix of unit costs such as electricity, labour, chemicals and capital equipment such as excavators and dump trucks.

### **1.1. Production Property**

The Company is primarily engaged in the development and production of gold ore bearing properties. Properties are invested or operated under long term production agreements from local partners. Acquisition costs are capitalized in accordance with U.S. GAAP when management has determined that future benefits consisting of a contribution to future cash inflows, have been identified and adequate financial resources are available to complete the required investment.

### **1.2. Revenue Recognition**

Revenue is recognized from a sale when persuasive evidence of an arrangement exists, the price is determinable, the product has been delivered, risk and the title has been transferred to the customer and collection of the sales price is reasonably assured.

### **1.3. Accumulated Other Comprehensive Income (Loss)**

Comprehensive income (loss) is presented net of applicable income taxes in the accompanying consolidated statements of stockholders' equity and comprehensive income (loss). Other comprehensive income (loss) is comprised of revenues, expenses, gains, and losses that under GAAP are reported as separate components of stockholders' equity instead of net income (loss).

## **2. Investment in Talawaan Project**

The Company has invested in long term (20 year) operating agreements with exclusive land usage rights with a local entity in Talawaan City, district of Minahasa in Northern Sulawesi Province for excavation, production and processing on a 25 hectare site close to the airport of the regional capital Manado. The property has a complete processing plant onsite, including ore crushers, ball mills, floatation processing tanks and tailing ponds and ore is excavated from reefs of medium to high grade volcanic hosted ore present on the property. The facility at Talawaan also processes ore on behalf of 3<sup>rd</sup> party mining groups on a contract basis.

## **3. Segment Information**

The Company operates predominantly in one industry and one geographical segment, those being gold mining and Indonesia, respectively.

## **4. Capital and Leasing Commitments**

There was no capital or leasing expenditure at August 31, 2023.

## **5. Contingencies**

From time to time, the Company is involved in routine litigation that arises in the ordinary course of business. There are no pending significant legal proceedings to which the Company is a party for which management believes the ultimate outcome would have a material adverse effect on the Company's financial position.

## **6. Events After the Reporting Period**

There has not arisen in the interval between the end of the financial period and the date of these financial statements any other item, transaction or event of a material and unusual nature likely, in the opinion of the Directors of the Company, to affect significantly the operation of the company, the results of those operations, or the state of affairs of the company, in future financial years except for:

As of September 30, the Talawaan operating agreement was renegotiated and amended such that all the retained cash from unallocated earnings, being held by our operating partner on behalf of BMXI, are reinvested into (1) the expansion of the gold reserve area, (2) recapitalization and expansion of the joint venture mining assets and capital equipment and (3) review of workers safety protocols and standards, including additional training, and upgrading of safety equipment.