



REYNA GOLD

REYNA GOLD CORP.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the nine months ended September 30, 2023

(Unaudited)

REYNA GOLD CORP.

Contents

	Page
Notice of No Auditor Review of Interim Financial Statements	3
Condensed Consolidated Interim Statements of Financial Position	4
Condensed Consolidated Interim Statements of Net Loss and Comprehensive Loss	5
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity	6
Condensed Consolidated Interim Statements of Cash Flows	7
Notes to the Condensed Consolidated Interim Financial Statements	8 - 21

**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 interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim 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 financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

REYNA GOLD CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**

(Unaudited)

(Presented in Canadian Dollars)

	Note	September 30, 2023	December 31, 2022
		(Unaudited)	(Audited)
ASSETS			
Current			
Cash		\$ 1,366,210	\$ 5,771,307
Receivables		2,289	2,609
Prepaid expenses		77,855	128,108
		<u>1,446,354</u>	<u>5,902,024</u>
Non-current			
Exploration and evaluation assets	4	1,485,410	1,174,248
VAT receivables		994,585	585,121
		<u>2,479,995</u>	<u>1,759,369</u>
		<u>\$ 3,926,349</u>	<u>\$ 7,661,393</u>
LIABILITIES			
Current			
Trade and other payables		\$ 16,278	\$ 27,965
Due to related parties	6	12,067	21,000
		<u>28,345</u>	<u>48,965</u>
SHAREHOLDERS' EQUITY			
Common shares	5	13,430,168	13,420,668
Reserves	5	2,771,089	2,503,388
Deficit		(12,303,253)	(8,311,628)
		<u>3,898,004</u>	<u>7,612,428</u>
		<u>\$ 3,926,349</u>	<u>\$ 7,661,393</u>

Nature of operations and continuance of operations (Note 1)

These condensed consolidated interim financial statements are authorized for issue by the Board of Directors on November 29, 2023.

Approved by the Board of Directors:

"Alex Langer"

Alex Langer

"Jorge Ramiro Monroy"

Jorge Ramiro Monroy

REYNA GOLD CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF NET LOSS AND COMPREHENSIVE LOSS**

(Unaudited)

(Presented in Canadian Dollars)

	Note	For the		For the	
		three months ended September 30		nine months ended September 30	
		2023	2022	2023	2022
Exploration expenses	4	\$ 1,137,224	\$ 537,001	\$ 2,694,616	\$ 2,143,639
Administrative expenses					
Accounting and audit	6	33,019	34,822	118,491	116,339
Bank charges		1,015	376	1,398	2,627
Consulting	6	74,000	6,700	164,665	177,470
Legal		4,620	9,818	11,795	41,166
Listing fees		-	2,433	35,949	51,464
Management and director fees	6	181,248	142,003	433,744	484,497
Marketing		74,691	65,948	403,958	646,194
Office		19,698	82,266	79,124	221,012
Share-based payments		6,900	19,138	13,001	83,016
Foreign exchange loss (gain)		5,117	(4,540)	42,358	(768)
		<u>400,308</u>	<u>358,964</u>	<u>1,304,483</u>	<u>1,823,017</u>
Other items					
Interest income		-	-	(7,474)	(138)
Net loss before income taxes		<u>1,537,532</u>	<u>895,965</u>	<u>3,991,625</u>	<u>3,966,518</u>
Other comprehensive loss					
Cumulative translation adjustment		<u>(73,212)</u>	<u>(67,800)</u>	<u>(264,199)</u>	<u>(82,320)</u>
Total comprehensive loss for the period		<u>\$ 1,464,320</u>	<u>\$ 828,165</u>	<u>\$ 3,727,426</u>	<u>\$ 3,884,198</u>
Basic and diluted loss per share		<u>\$ 0.02</u>	<u>\$ 0.01</u>	<u>\$ 0.06</u>	<u>\$ 0.06</u>
Weighted average number of common shares outstanding		<u>67,092,091</u>	<u>66,756,221</u>	<u>67,035,159</u>	<u>66,756,221</u>

REYNA GOLD CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(Unaudited)

(Presented in Canadian Dollars)

	Note	Common Shares		Reserves			Total	Deficit	Total shareholders' equity
		Number of shares	Amount	Equity-settled employee benefits	Finder's warrants	Foreign exchange reserve			
Balance as at December 31, 2021		66,756,221	\$ 13,384,418	\$ 1,775,600	\$ 487,846	\$ (54,126)	\$ 2,209,320	\$ (3,597,959)	\$ 11,995,779
Share-based payments		-	-	83,016	-	-	83,016	-	83,016
Net loss and comprehensive loss		-	-	-	-	82,320	82,320	(3,966,518)	(3,884,198)
Balance as at September 30, 2022		66,756,221	13,384,418	1,858,616	487,846	28,194	2,374,656	(7,564,477)	8,194,597
Shares issued:									
Pursuant to exploration and evaluation asset agreement	5(b)	250,000	36,250	-	-	-	-	-	36,250
Share-based payments		-	-	54,223	-	-	54,223	-	54,223
Net loss and comprehensive loss		-	-	-	-	74,509	74,509	(747,151)	(672,642)
Balance as at December 31, 2022		67,006,221	13,420,668	1,912,839	487,846	102,703	2,503,388	(8,311,628)	7,612,428
Shares issued:									
Restricted Stock Unit (RSU) vested	5(b)	100,000	9,500	(2,600)	-	-	(2,600)	-	6,900
Share-based payments		-	-	6,101	-	-	6,101	-	6,101
Net loss and comprehensive loss		-	-	-	-	264,199	264,199	(3,991,625)	(3,727,426)
Balance as at September 30, 2023		67,106,221	\$ 13,430,168	\$ 1,916,340	\$ 487,846	\$ 366,903	\$ 2,771,089	\$ (12,303,253)	\$ 3,898,004

REYNA GOLD CORP.**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**

(Unaudited)

(Presented in Canadian Dollars)

	For the	
	nine months ended September 30	
Note	2023	2022
Cash provided by (used for):		
Operating activities		
Net loss	\$ (3,991,625)	(3,966,518)
Items not involving cash:		
Share-based payments	13,001	83,016
Changes in non-cash working capital items:		
Receivables	320	31,104
Prepaid expenses	50,253	124,643
VAT receivables	(340,587)	(409,607)
Trade and other payables	(11,687)	14,968
Due to related parties	(8,933)	11,530
Foreign exchange	108,978	82,320
Cash used in operating activities	<u>(4,180,280)</u>	<u>(4,028,544)</u>
Investing activities		
Net expenditures on the exploration and evaluation assets	4 <u>(238,656)</u>	<u>(316,843)</u>
Cash used in investing activities	<u>(238,656)</u>	<u>(316,843)</u>
Net decrease in cash	(4,418,936)	(4,345,387)
Foreign exchange effect on cash	13,839	-
Cash - beginning of the period	<u>5,771,307</u>	<u>10,869,053</u>
Cash - end of the period	<u>\$ 1,366,210</u>	<u>\$ 6,523,666</u>
Supplemental disclosure with respect to cash flows:		
Common share issued pursuant to RSU vested	<u>\$ 9,500</u>	<u>\$ -</u>

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

(Unaudited)

(Presented in Canadian Dollars)

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Reyna Gold Corp. (the “Company” or “Reyna Gold”) was incorporated on October 10, 2017 under the name of R1 Capital Corp. and changed its name to Reyna Gold Corp. on January 28, 2021. The Company is domiciled in Canada under the Business Corporations Act (British Columbia). Its registered office is 10th Floor, 595 Howe Street, Vancouver, BC, V6C 2T5. On January 11, 2022, the Company completed its initial public listing and began trading on the TSX Venture Exchange (the “Exchange”) under the symbol “REYG”. On March 15, 2022, the Company began trading on the OTCQB Markets Exchange in the United States under the symbol “REYGF”.

The Company’s principal business activity is the acquisition and exploration of mineral properties.

These condensed consolidated interim financial statements (the “Financial Statements”) have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company has no source of operating revenues and its capacity to operate as a going concern in the near-term will likely depend on its ability to continue raising equity financing.

From December 31, 2019, the outbreak of the novel strain of coronavirus, specifically identified as “COVID-19”, resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which included the implementation of travel bans, self-imposed quarantine periods and physical distancing, caused material disruption to business globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. The full impact of the COVID-19 outbreak is unknown at this time. It is not possible to reliably estimate the severity of these developments and the impact on the financial results and condition of the Company in the future.

Management’s plan includes continuing to pursue additional sources of financing through equity offerings, seeking joint venture partners to fund exploration, monitoring exploration activity and reducing overhead costs. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the consolidated statements of financial position. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that may be necessary should the Company be unable to continue in existence.

	September 30, 2023	December 31, 2022
Deficit	\$ (12,303,253)	\$ (8,311,628)
Working capital	\$ 1,418,009	\$ 5,853,059

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

(Unaudited)

(Presented in Canadian Dollars)

2. BASIS OF PREPARATION**(a) Statement of compliance**

These condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” (“IAS 34”) using accounting policies consistent with IFRS issued by the International Accounting Standards Board (“IASB”) and interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

(b) Basis of preparation

These condensed consolidated interim financial statements have been prepared on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

The preparation of these condensed consolidated interim financial statements in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. These condensed consolidated interim financial statements do not include all of the information required for full annual financial statements.

These condensed consolidated interim financial statements, including comparatives, have been prepared on the basis of IFRS standards that are published at the time of preparation.

3. SIGNIFICANT ACCOUNTING POLICIES

These unaudited condensed consolidated interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company’s most recent annual financial statements for the year ended December 31, 2022.

These unaudited condensed consolidated interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended December 31, 2022. In the opinion of management, all adjustments considered necessary for fair presentation of the Company’s financial position, results of operations and cash flows have been included. Operating results for the nine months ended September 30, 2023 are not necessarily indicative of the results that may be expected for the current fiscal year ending December 31, 2023.

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

(Unaudited)

(Presented in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES**MEXICO****(a) La Gloria Property**

Under the terms of the option agreement acquired with Minera Reyna Dorada S.A. de C.V., the Company could earn a 100% interest in the La Gloria (DASA) property by paying US\$1,200,000 over a 4-year period:

Period	Payment	
September 2, 2020	US\$30,000	(paid)
March 2, 2021	US\$60,000	(paid)
September 2, 2021	US\$50,000	(paid)
March 2, 2022	US\$60,000	(paid)
September 2, 2022	US\$70,000	(paid)
March 2, 2023	US\$120,000	(paid)
September 2, 2023	US\$180,000	(not paid - agreement terminated)
March 2, 2024	US\$200,000	
September 2, 2024	US\$430,000	

The original property owner had a 2.5% NSR on the property, 1% of which could be bought for US\$1,500,000 within 6 months of Commercial Production having started, 1% of which could be bought for US\$1,500,000 within 18 months from the start of Commercial Production and the other 0.5% could be bought for US\$1,000,000 within 36 months from the start of Commercial Production.

On September 1, 2023, the Company terminated the option agreement.

On April 28, 2021, the Company entered into an agreement whereby it acquired exclusive access to the La Gloria (Canasta-Dorada) Property for a period of twelve months in exchange for US\$30,000 (paid) and the issuance of 40,000 common shares (issued).

The Company also retains the option to enter into a definitive assignment agreement with the owner of the claims to earn a 100% interest in the property in exchange for a maximum of US\$100,000 (paid in April 2022) and the issuance of up to a maximum of 250,000 common shares (issued in November 2022; Note 5(b)). Should the Company enter into the definitive assignment agreement they will be responsible for the mining taxes owed on the claims in the amount of 59,459,228 Mexican pesos (approximately \$3.7 million).

The owner will retain a 2.0% net smelter returns royalty on the property, of which each 1.0% can be purchased by the Company at any time for US\$1,000,000.

REYNA GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES *(Continued)*

MEXICO *(Continued)*

(b) Don Porfirio Property

On April 26, 2021, the Company entered into an agreement whereby it acquired exclusive access to the Don Porfirio Property for a period of twelve months in exchange for US\$10,000 (paid). The Company and the owner of the property are in the process of applying to the Mexican Mining Bureau for the revocation of the cancellation of certain claims.

The Company exercised the option to extend the twelve-month period by an additional twelve months.

The Company also retains the option to enter into a definitive assignment agreement with the owner of the claims to earn a 100% interest in the property in exchange for a maximum of US\$115,000. Should the Company enter into the definitive assignment agreement they will be responsible for the mining taxes owed on the claims in the amount of 6,516,563 Mexican pesos (approximately \$405,000).

(c) El Durazno Property

On July 19, 2021, the Company entered into an option agreement with Reyna Silver Corp. ("RSLV") whereby the Company has the option to earn a 51% interest in the El Durazno property by paying \$20,000 (paid) and by incurring \$500,000 in exploration expenditures on the property before July 19, 2025.

RSLV and the Company have directors in common.

(d) La Centella Property

On August 30, 2021, the Company entered into a data transfer agreement whereby the Company obtained certain geological, geochemical and geophysical data related to the La Centella property by issuing 2,000,000 common shares of the Company (issued). These common shares are subject to a three-year lock-up agreement where they will be released as per 10% on the date that the Company obtains the Exchange's bulletin regarding public listing; and 15% every six months thereafter. On January 11, 2022, 200,000 common shares were released pursuant to this lock-up agreement. Another 300,000 common shares were released pursuant to this lock-up agreement in July 2022. Subsequently, another 300,000 common shares were released in January 2023.

On August 30, 2021, the Company also entered into an option agreement with the same party to earn 100% interest in the La Centella property by incurring US\$500,000 in exploration expenditures on the property over a period of four years. Should the Company exercise the option and earn a 100% interest in the property, they will be responsible for the mining taxes owed on the claims in the amount of 6,637,467 Mexican pesos (approximately \$400,000).

The owner will retain a 2.0% net smelter returns royalty on the property. Upon commercial production, the owner will receive US\$2,000,000 payable in the Company's shares.

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023**

(Unaudited)

(Presented in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES (Continued)**UNITED STATES****(e) Gryphon Summit**

On August 29, 2023, the Company and Reyna Silver Corp. (“RSLV”) entered into a property option agreement (the “Agreement”) with Golden Gryphon USA Inc. (“Gryphon”), subject to the completion of due diligence, to jointly earn up to a 70% interest in the Gryphon Summit Property, located in Eureka and Elko counties, Nevada.

The Company and RSLV have formed an unincorporated joint venture (“Reyna JV”) for the purpose of holding the option. The option is subject to the Reyna JV performing the following by April 30, 2027:

- (i) Expending a total of US\$9,500,000 on the project;
- (ii) Making cash payments jointly to Gryphon in the aggregate amount of US\$1,100,000; and
- (iii) Issuing a total of 1,200,000 million common shares in the capital of the Company and 1,200,000 million common shares in the capital of RSLV to Gryphon. Upon completion of the option, Gryphon and Reyna JV will enter a joint venture to continue exploration and development of the project.

To complete its full 70% earn-in under the Agreement, Reyna JV must complete the following:

Date/Period	Cash Payments	The Company Shares	Expenditures
On the Effective Date	US\$100,000 (paid)	None	None
With 5 business days of the acceptance of the agreement	None	125,000	None
On or before April 30, 2024	US\$100,000	None	US\$500,000
On or before October 31, 2024	US\$100,000	None	None
On or before April 30, 2025	US\$150,000	125,000	US\$2,000,000
On or before October 31, 2025	US\$150,000	None	None
On or before April 30, 2026	US\$250,000	200,000	US\$3,000,000
On or before October 31, 2026	US\$250,000	None	None
On or before April 30, 2027	None	750,000	US\$4,000,000

Gryphon will be granted a 2% net smelter returns royalty on the Project (subject to a 50% buy down right to a 1% royalty), except that the part of the property comprising the eight patented mining claims will be subject only to a 1% net smelter returns royalty (not subject to further buy-down) (the “NSR Agreement”). The terms of the NSR Agreement will be negotiated on or before April 30, 2025.

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS AND MINERAL EXPLORATION EXPENSES (Continued)

	Mexico				USA		Total
	La Gloria	Don Porfirio	El Durazno	La Centella	Gryphon Summit		
Exploration and evaluation assets							
As of January 1, 2022	\$ 515,804	\$ 12,337	\$ 20,000	\$ 240,000	\$ -	\$ -	\$ 788,141
Acquisition during the year	358,713	-	-	-	-	-	358,713
Foreign currency translation	25,923	1,471	-	-	-	-	27,394
As of December 31, 2022	900,440	13,808	20,000	240,000	-	-	1,174,248
Acquisition during the period	170,981	-	-	-	67,675	-	238,656
Foreign currency translation	70,881	1,625	-	-	-	-	72,506
As of September 30, 2023	\$ 1,142,302	\$ 15,433	\$ 20,000	\$ 240,000	\$ 67,675	\$ -	\$ 1,485,410
Mineral exploration expenses for the period ended September 30, 2023							
Mineral taxes	\$ 5,478	\$ 595	\$ -	\$ -	\$ -	\$ -	\$ 6,073
Consulting and reporting	-	983	-	-	-	-	983
Geology and exploration	1,505,715	-	-	-	147,156	-	1,652,871
Storage and equipment	428,717	-	-	-	895	-	429,612
Drilling	605,077	-	-	-	-	-	605,077
	\$ 2,544,987	\$ 1,578	\$ -	\$ -	\$ 148,051	\$ -	\$ 2,694,616
Mineral exploration expenses for the year ended December 31, 2022							
Mineral taxes	\$ 2,104	\$ 60	\$ -	\$ -	\$ -	\$ -	\$ 2,164
Geology and exploration	1,555,037	2,416	-	-	-	-	1,557,453
Storage and equipment	126,159	-	-	-	-	-	126,159
Drilling	775,666	-	-	-	-	-	775,666
	\$ 2,458,966	\$ 2,476	\$ -	\$ -	\$ -	\$ -	\$ 2,461,442
Cumulative mineral exploration expenses up to September 30, 2023							
Mineral taxes	\$ 11,910	\$ 655	\$ -	\$ 87	\$ -	\$ -	\$ 12,652
Consulting and reporting	104,563	983	-	-	-	-	105,546
Geology and exploration	3,402,641	14,031	-	1,395	147,156	-	3,565,223
Mapping	71,257	-	-	-	-	-	71,257
Storage and equipment	578,206	-	-	-	895	-	579,101
Drilling	1,380,743	-	-	-	-	-	1,380,743
Other expenses	15,150	2,124	-	-	-	-	17,274
	\$ 5,564,470	\$ 17,793	\$ -	\$ 1,482	\$ 148,051	\$ -	\$ 5,731,796

REYNA GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

5. SHARE CAPITAL

(a) Authorized:

At September 30, 2023, the authorized share capital was comprised of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

(b) Share issuances:

During the year ended December 31, 2022:

On November 8, 2022, the Company issued 250,000 common shares at a price of \$0.145 per share for a fair value of \$36,250 pursuant to the La Gloria (Canasta-Dorada) property agreement (Note 4(a)).

During the nine months ended September 30, 2023:

On July 13, 2023, the Company issued 100,000 common shares pursuant to the 100,000 RSUs vested during the period (Note 5(d)).

(c) Escrow shares:

9,079,000 common shares were placed in escrow in accordance with the escrow agreement dated December 3, 2021, where 10% of the escrowed common shares were released on January 11, 2022, and 15% of the escrowed common shares were released on July 11, 2022. The remaining escrowed shares will be released 15% every six months thereafter. As at September 30, 2023, 4,085,550 common shares were held in escrow.

1,000,000 common shares were placed in escrow in accordance with the escrow agreement dated December 6, 2021, where 10% of the escrowed common shares were released on January 11, 2022, and 15% of the escrowed common shares were released on July 11, 2022. The remaining escrowed shares will be released 15% every six months thereafter. As at September 30, 2023, 450,000 common shares were held in escrow.

(d) Stock options and restricted share units:

The Company has a 10% rolling Security Based Compensation Plan ("SBC Plan") whereby a maximum of 10% of the Company's shares can be issuable under the SBC Plan. The SBC Plan consists of stock options and restricted share units ("RSUs"). The Board of Directors of the Company determines the number of options to be granted, exercise prices, expiry dates and vesting conditions. The Board of Directors of the Company also determines the number of RSUs to be granted and the vesting conditions with the minimum of one year vesting period on all RSUs. RSUs have no exercise price and will be converted into common shares upon vesting.

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

5. SHARE CAPITAL *(Continued)*(d) Stock options and restricted share units: *(Continued)*

Stock option transactions and the number of stock options for the nine months ended September 30, 2023 are summarized as follows:

Expiry date	Exercise price	December 31, 2022	Granted	Expired / Exercised	Cancelled	September, 2023		
September 22, 2026	\$ 0.40	4,825,000	-	-	-	4,825,000		
June 9, 2027	\$ 0.40	670,000	-	-	-	670,000		
October 3, 2027	\$ 0.20	950,000	-	-	-	950,000		
Options outstanding		6,445,000	-	-	-	6,445,000		
Options exercisable		6,320,000	-	-	-	6,445,000		
Weighted average exercise price	\$	0.37	\$	-	\$	-	\$	0.37

As at September 30, 2023, the weighted average contractual remaining life of options is 3.21 years (December 31, 2022 – 3.95 years). The weighted average fair value of stock options granted during the nine months ended September 30, 2023 was \$Nil (September 30, 2022 - \$0.40).

Stock option transactions and the number of stock options for the years ended December 31, 2022 are summarized as follows:

Expiry date	Exercise price	December 31, 2021	Granted	Expired / Exercised	Cancelled	December 31, 2022		
September 22, 2026	\$ 0.40	4,825,000	-	-	-	4,825,000		
June 9, 2027	\$ 0.40	-	670,000	-	-	670,000		
October 3, 2027	\$ 0.20	-	950,000	-	-	950,000		
Options outstanding		4,825,000	1,620,000	-	-	6,445,000		
Options exercisable		4,450,000	1,370,000	-	-	6,320,000		
Weighted average exercise price	\$	0.40	\$	0.28	\$	-	\$	0.37

The weighted average assumptions used to estimate the fair value of options for the nine months ended September 30, 2023 and 2022 were as follows:

	2023	2022
Expected dividend yield	N/A	N/A
Expected stock price volatility	N/A	132.86%
Risk-free interest rate	N/A	3.14%
Forfeiture rate	N/A	N/A
Expected life of options	N/A	5 years

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

5. SHARE CAPITAL (Continued)(d) Stock options and restricted share units: *(Continued)*

RSU transactions and the number of RSUs For the nine months ended September 30, 2023 are summarized as follows:

Vesting date	December 31, 2022	Granted	Vested and converted to common shares	September, 2023
July 13, 2023	100,000	-	100,000	-
RSUs outstanding	100,000	-	100,000	-

On July 13, 2023, these 100,000 RSUs were vested and the Company issued 100,000 common shares.

As at September 30, 2023, the weighted average contractual remaining life of RSUs is nil year (December 31, 2022 – 0.53 years).

RSU transactions and the number of RSUs for the year ended December 31, 2022, are summarized as follows:

Vesting date	December 31, 2021	Granted	Vested and converted to common shares	December 31, 2022
July 13, 2023	-	100,000	-	100,000
RSUs outstanding	-	100,000	-	100,000

(e) Warrants:

The continuity of warrants for the nine months ended September 30, 2023 is as follows:

Expiry date	Exercise price	December 31, 2022	Issued	Exercised	Expired	September, 2023
December 14, 2023	\$ 0.65	13,092,394	-	-	-	13,092,394
Warrants outstanding		13,092,394	-	-	-	13,092,394
Weighted average exercise price	\$	0.65	\$ -	\$ -	\$ -	\$ 0.65

As at September 30, 2023, the weighted average contractual remaining life of warrants is 0.21 years (December 31, 2022 – 0.95 years).

The continuity of warrants for the year ended December 31, 2022 is as follows:

Expiry date	Exercise price	December 31, 2021	Issued	Exercised	Expired	December 31, 2022
December 14, 2023	\$ 0.65	13,092,394	-	-	-	13,092,394
Warrants outstanding		13,092,394	-	-	-	13,092,394
Weighted average exercise price	\$	0.65	\$ -	\$ -	\$ -	\$ 0.65

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

5. SHARE CAPITAL *(Continued)*

(f) Finder's warrants:

The continuity of finder's warrants for the nine months ended September 30, 2023 is as follows:

Expiry date	Exercise price	December 31, 2022	Issued	Exercised	Expired	September, 2023		
September 3, 2023	\$ 0.40	1,546,325	-	-	1,546,325	-		
September 10, 2023	\$ 0.40	112,413	-	-	112,413	-		
September 15, 2023	\$ 0.40	6,265	-	-	6,265	-		
Finders warrants outstanding		1,665,003	-	-	1,665,003	-		
Weighted average exercise price	\$	0.40	\$	-	\$	0.40	\$	-

As at September 30, 2023, the weighted average contractual remaining life of finder's warrants is nil year (December 31, 2022 – 0.68 years).

The continuity of finder's warrants for the year ended December 31, 2022 is as follows:

Expiry date	Exercise price	December 31, 2021	Issued	Exercised	Expired	December 31, 2022		
September 3, 2023	\$ 0.40	1,546,325	-	-	-	1,546,325		
September 10, 2023	\$ 0.40	112,413	-	-	-	112,413		
September 15, 2023	\$ 0.40	6,265	-	-	-	6,265		
Finders warrants outstanding		1,665,003	-	-	-	1,665,003		
Weighted average exercise price	\$	0.40	\$	-	\$	-	\$	0.40

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

6. DUE TO RELATED PARTIES

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

For the nine months ended September 30, 2023:

	Cash payments	Shares issued	Share-based payments	TOTAL
Jorge Ramiro Monroy ⁽¹⁾ Director	\$ 174,994	\$ -	\$ -	\$ 174,994
Michael Wood ⁽²⁾ Chief Executive Officer, Director	\$ 210,000	\$ -	\$ -	\$ 210,000
Winnie Wong ⁽³⁾ Chief Financial Officer	\$ 90,000	\$ -	\$ -	\$ 90,000
Alex Langer ⁽⁴⁾ Director	\$ 15,000	\$ -	\$ -	\$ 15,000
Steve Robertson ⁽⁵⁾ Director	\$ 15,750	\$ -	\$ -	\$ 15,750
Castulo Molina Sotelo ⁽⁶⁾ Director	\$ 11,250	\$ -	\$ -	\$ 11,250
Peter Jones ⁽⁷⁾ Director	\$ 11,250	\$ -	\$ -	\$ 11,250

For the nine months ended September 30, 2022:

	Cash payments	Shares issued	Share-based payments	TOTAL
Jorge Ramiro Monroy ⁽¹⁾ Director	\$ 199,992	\$ -	\$ -	\$ 199,992
Michael Wood ⁽²⁾ Chief Executive Officer, Director	\$ 240,000	\$ -	\$ -	\$ 240,000
Winnie Wong ⁽³⁾ Chief Financial Officer	\$ 90,000	\$ -	\$ -	\$ 90,000
Alex Langer ⁽⁴⁾ Director	\$ 15,000	\$ -	\$ -	\$ 15,000
Steve Robertson ⁽⁵⁾ Director	\$ 11,250	\$ -	\$ -	\$ 11,250
Castulo Molina Sotelo ⁽⁶⁾ Director	\$ 11,250	\$ -	\$ -	\$ 11,250
Peter Jones ⁽⁷⁾ Director	\$ 7,005	\$ -	\$ 38,100	\$ 45,105

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

6. DUE TO RELATED PARTIES (Continued)

Related party transactions and balances:

Amounts included in Trade and other payables:	Services for:	For the nine months ended		As at	As at
		September 30, 2023	September 30, 2022	September 30, 2023	December 31, 2022
Emerging Markets Capital ⁽¹⁾	Management fee and rent	\$ 174,994	\$ 199,992	\$ 1,567	\$ -
Athena Jade Limited ⁽²⁾	Management fee	210,000	240,000	-	-
Pacific Opportunity Capital Ltd. ⁽³⁾	Accounting	90,000	90,000	10,500	21,000
Andros Capital Corp. ⁽⁴⁾	Director's fee	15,000	15,000	-	-
Western Blue Sky Management Corp. ⁽⁵⁾	Consulting and director's fee	15,750	11,250	-	-
San Miguel Exploration SC. ⁽⁶⁾	Director's fee	11,250	11,250	-	-
Peter Jones ⁽⁷⁾	Director's fee	11,250	45,105	-	-
Total		\$ 528,244	\$ 612,597	\$ 12,067	\$ 21,000

(1) Jorge Ramiro Monroy's cash payments were paid through Emerging Markets Capital, a company of which Mr. Monroy has control.

(2) Michael Wood's cash payments as the Chief Executive Officer were paid through Athena Jade Limited, a private company owned by Mr. Wood.

(3) Winnie Wong was appointed as the Chief Financial Officer on May 1, 2021 and her cash payments were paid through Pacific Opportunity Capital Ltd., a private company where she is the vice president.

(4) Alex Langer's director fee was paid to his company Andros Capital Corp.

(5) Steve Robertson's consulting and director fee was paid to his company Western Blue Sky Management Corp.

(6) Cacho Molina Sotelo's director fee was paid to his company San Miguel Exploration SC.

(7) Peter Jones became a director of the Company on April 13, 2022.

All related party transactions are in the normal course of operations and have been measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial instruments are exposed to certain financial risks, including credit risk, interest rate risk and liquidity risk.

a) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its bank account. The Company's bank account is held with major banks in Canada and Mexico; accordingly, the Company believes it is not exposed to significant credit risk.

b) Interest rate risk

Interest rate risk is the risk of losses that arise as a result of changes in contracted interest rates. The Company is not exposed to significant interest rate risk.

c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they come due. The Company controls liquidity risk by ensuring that it has sufficient cash resources to pay for its financial obligations. As at September 30, 2023, the Company had a cash balance of \$1,366,210 to settle current liabilities of \$28,345.

d) Currency risk

The Company's property interest in Mexico make it subject to foreign currency fluctuations and inflationary pressures which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and the Mexican pesos. The Company does not invest in foreign currency contracts to mitigate the risks. The Company has net monetary assets of approximately 12,868,000 Mexican pesos. A 1% change in the absolute rate of exchange in Mexican pesos would affect its net monetary assets by approximately \$10,000.

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company does not have any financial assets measured at fair value.

REYNA GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023

(Unaudited)

(Presented in Canadian Dollars)

8. CAPITAL MANAGEMENT

The Company's capital consists of shareholders' equity. The Company's objective when managing capital is to maintain adequate levels of funding to support the development of its businesses and maintain the necessary corporate and administrative functions to facilitate these activities. This is done primarily through equity financing and incurring debt. Future financings are dependent on market conditions and there can be no assurance the Company will be able to raise funds in the future. The Company invests all capital that is surplus to its immediate operational needs in short-term, highly liquid, high-grade financial instruments. There were no changes to the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

9. SEGMENTED FINANCIAL INFORMATION

The Company operates in one industry segment, being the acquisition and exploration of mineral properties. Geographic information is as follows:

	September 30,		December 31,
	2023		2022
Non-current assets			
Mexico	\$ 2,412,320	\$	1,759,369
USA	\$ 67,675	\$	-
	<u>\$ 2,479,995</u>	<u>\$</u>	<u>1,759,369</u>

	For the		
	nine months months ended September 30		
	2023		2022
Mineral exploration expenses			
Mexico	\$ 2,546,565	\$	2,143,639
USA	148,051		-
	<u>\$ 2,694,616</u>	<u>\$</u>	<u>2,143,639</u>