

KORE MINING LTD.

Condensed Interim Consolidated Financial Statements

September 30, 2023

(Unaudited – Prepared by Management)



**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

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

The Company's independent auditor has not performed a review of these 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.

KORE MINING LTD.**Condensed Interim Consolidated Statement of Financial Position***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars)*

As at	Note	September 30, 2023 \$	December 31, 2022 \$
Current assets			
Cash and cash equivalents		38,396	743,336
Accounts receivable		11,685	227,848
Prepaid expenses		56,766	92,433
Total current assets		106,847	1,063,617
Non-current assets			
Deposits		230,855	239,334
Equipment		66,485	139,820
Mineral properties	5	1,875,121	1,878,284
Total non-current assets		2,172,461	2,257,438
Total assets		2,279,308	3,321,055
Current liabilities			
Accounts payable	7	461,717	672,853
Promissory note	7	304,218	-
Lease liability		22,470	78,341
Total liabilities		788,405	751,194
Shareholders' equity			
Share capital	6	19,416,853	19,416,853
Shares to be issued	7	140,000	-
Warrants		1,477,505	1,477,505
Reserves		3,279,228	3,082,196
Accumulated deficit		(22,856,456)	(21,442,045)
Accumulated other comprehensive income		33,773	35,352
Total shareholders' equity		1,490,903	2,569,861
Total shareholders' equity and liabilities		2,279,308	3,321,055

Going concern 2

Approved by the Board of Directors:

“James Hynes”
Director

“RJ MacDonald”
Director

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

KORE MINING LTD.**Condensed Interim Consolidated Statement of Loss and Comprehensive Loss***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

	Note	For the three months ended September 30, 2023 \$	For the three months ended September 30, 2022 \$	For the nine months ended September 30, 2023 \$	For the nine months ended September 30, 2022 \$
Expenses					
Depreciation		13,530	47,501	94,346	143,201
Exploration and evaluation expenses	5	385,302	358,158	461,983	1,140,984
General and administration		45,456	47,008	153,596	315,980
Management fees and wages	7	1,192	187,124	103,632	953,567
Marketing and professional fees		170,885	191,736	380,247	730,765
Share-based payments net of forfeitures	6	171,570	(58,714)	197,032	430,166
		(787,934)	(772,813)	(1,390,836)	(3,714,663)
Other income (expense)					
Foreign exchange loss		(1,360)	(14,142)	(2,822)	(11,071)
Loss on fixed assets disposal		-	-	(2,774)	-
Interest and finance income		1,409	3,014	4,774	6,183
Interest expense		(6,010)	(5,130)	(22,754)	(19,330)
Net loss for the period		(793,895)	(789,071)	(1,414,411)	(3,738,881)
Item that may be subsequently reclassified to net loss					
Cumulative translation adjustment		40,302	90,141	(1,579)	153,510
Net comprehensive loss for the period		(753,593)	(698,930)	(1,415,990)	(3,585,371)
Basic and diluted loss per common share		(0.00)	(0.01)	(0.01)	(0.03)
Weighted average number of common shares outstanding - basic and diluted		201,826,357	115,329,347	201,826,357	115,204,347

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

KORE MINING LTD.**Condensed Interim Consolidated Statement of Cash Flows***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

	Note	For the nine months ended September 30, 2023 \$	For the nine months ended September 30, 2022 \$
CASH USED IN OPERATING ACTIVITIES			
Loss for the period		(1,414,411)	(3,738,881)
Items not involving cash:			
Unrealised foreign exchange gain		(11,215)	-
Depreciation		94,346	143,201
Interest expense		8,166	19,330
Share-based payments net of forfeitures	6	197,032	430,166
Loss on fixed assets disposal		2,774	-
Changes in non-cash working capital items:			
Accounts receivable		216,163	(25,049)
Prepaid expenses and advances		36,530	17,386
Accounts payable		(71,029)	113,664
		(941,644)	(3,040,183)
FINANCING ACTIVITIES			
Payment of lease liabilities		(73,226)	(124,889)
Proceeds from the exercise of options		-	70,000
Promissory note	7	306,450	-
		233,224	(54,889)
Impact of changes in foreign exchange on cash and cash equivalents		3,480	(5,623)
Change in cash and cash equivalents		(704,940)	(3,100,695)
Cash and cash equivalents at beginning of the period		743,336	3,592,702
Cash and cash equivalents at end of the period		38,396	492,007
Supplemental cash flow information:			
Shares to be issued to settle accounts payable	7	140,000	-

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KORE MINING LTD.**Condensed Interim Consolidated Statement of Changes in Equity***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

	<u>Common Shares</u>							Accumulated other comprehensive income	Total Equity
	Note	Number	Amount \$	Shares to be issued \$	Warrants \$	Reserves \$	Accumulated deficit \$	\$	\$
December 31, 2021		114,829,347	18,721,695	-	1,353,652	2,531,798	(17,225,442)	(128,304)	5,253,399
Exercise of options		500,000	108,617	-	-	(38,617)	-	-	70,000
Share-based payments	6	-	-	-	-	430,166	-	-	430,166
Net loss for the period		-	-	-	-	-	(3,738,881)	-	(3,738,881)
Other comprehensive income		-	-	-	-	-	-	153,510	153,510
September 30, 2022		115,329,347	18,830,312	-	1,353,652	2,923,347	(20,964,323)	25,206	2,168,194
December 31, 2022		201,826,357	19,416,853	-	1,477,505	3,082,196	(21,442,045)	35,352	2,569,861
Share-based payments net of forfeitures	6	-	-	-	-	197,032	-	-	197,032
Shares to be issued	7	-	-	140,000	-	-	-	-	140,000
Net loss for the period		-	-	-	-	-	(1,414,411)	-	(1,414,411)
Other comprehensive loss		-	-	-	-	-	-	(1,579)	(1,579)
September 30, 2023		201,826,357	19,416,853	140,000	1,477,505	3,279,228	(22,856,456)	33,773	1,490,903

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

KORE MINING LTD.**Notes to the Condensed Interim Consolidated Financial Statements****September 30, 2023***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

1. NATURE OF OPERATIONS

KORE Mining Ltd. (“KORE” or the “Company”) is an exploration and development stage company that trades on the TSX Venture Exchange (“TSXV”) under the symbol ‘KORE’. The Company is focused on the exploration and development of its California gold projects, Imperial and Long Valley. In January 2021, the Company transferred its Canadian exploration projects to Karus Gold Corp (“Karus”) in exchange for shares of Karus Gold which were then distributed to shareholders of the Company. The Company’s registered office is located at 25th floor, 700 W Georgia Street, Vancouver, BC, V7Y 1B3.

The Company is in the process of exploring and evaluating its mineral resource properties and has not yet determined whether these properties contain economically recoverable mineral reserves. The recoverability of the amounts capitalized to mineral properties is ultimately dependent upon the existence of economically recoverable ore reserves and resources, securing and maintaining title and/or beneficial interest in the properties, obtaining necessary financing to continue to explore, evaluate and develop the properties, and upon future profitable production or proceeds from disposition of such properties. The amounts shown as mineral properties represent costs incurred in acquiring the properties, and do not necessarily represent current or future fair values.

2. GOING CONCERN

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will 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 as they come due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future, which is at least, but is not limited to, twelve months from the end of the reporting period.

As at September 30, 2023, the Company had a working capital deficit of \$681,558 (current assets less current liabilities) and has incurred net losses since inception of \$22,856,456. For the nine months ended September 30, 2023, the Company used cash flows in operations of \$941,644 (2022 - \$3,040,183). As at September 30, 2023, the Company had issued a Promissory Note to Karus for repayment of the loan of US\$225,000 (Note 7).

The Company’s ability to continue to carry out its planned exploration and development activities for at least the next twelve months and the repayment of the loan to Karus (Note 7) is dependent upon the continued financial support of its shareholders and on securing additional financing. Subject to the approval from disinterested shareholders of the Company, KORE plans to settle accounts payable of \$140,000 for services through issuance of common shares (Note 7). Although the Company continues to work on such solutions and towards financing its operations, there is no assurance that any such initiatives will be sufficient and, as a result, this material uncertainty may give rise to significant doubt regarding the going concern assumption and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern. These condensed interim consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and statement of financial position classifications that would be necessary if the Company were unable to realize its assets and settle its liabilities as a going concern in the normal course of operations for the foreseeable future. These adjustments could be material.

3. BASIS OF PRESENTATION

These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”)

KORE MINING LTD.**Notes to the Condensed Interim Consolidated Financial Statements****September 30, 2023***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

applicable to interim financial reports, including International Accounting Standard 34, “Interim Financial Reporting”. These condensed interim consolidated financial statements should be read in conjunction with the annual audited financial statements for the year ended December 31, 2022, which have been prepared in accordance with IFRS. The accounting policies adopted are consistent with those of the previous financial year.

These condensed interim consolidated financial statements have been authorized for issue by the Board of Directors of the Company on November 27, 2023.

Basis of Measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis. The statements are presented in Canadian dollars unless otherwise noted.

Reclassification of Prior Period Presentation

Certain prior period amounts have been reclassified for consistency with the current period presentation. These reclassifications had no net impact on the reported results of operations and only consisted of transfers of transactions of approximately \$64,000 from General and administration to Management fees and wages, and Marketing and professional fees captions within the statement of condensed interim consolidated loss and comprehensive loss.

Significant Judgments, Estimates and Assumptions

The preparation of the Company’s condensed interim consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed interim consolidated financial statements and the reported amounts of income and expenses during the reporting period. Estimates and assumptions are regularly evaluated and are based on management’s experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The significant estimates and critical judgments made by management in applying the Company’s accounting policies and key sources of estimation uncertainty were consistent with those applied to the annual audited consolidated financial statements for the year ended December 31, 2022.

5. MINERAL PROPERTIES

The balance and summary of the changes to mineral properties was as follows:

	Long Valley USA \$	Imperial USA \$	Total \$
Balance, December 31, 2021	491,039	1,264,050	1,755,089
Foreign exchange adjustment	32,845	90,350	123,195
Balance, December 31, 2022	523,884	1,354,400	1,878,284
Foreign exchange adjustment	(843)	(2,320)	(3,163)
Balance, September 30, 2023	523,041	1,352,080	1,875,121

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Imperial Project

In March 2017, the Company purchased Imperial USA Corp. which owns the Imperial project located in California. In settlement of the purchase price, the Company paid US\$150,000. The Company issued a 1% net smelter return royalty (“NSR”) on the property in connection with this acquisition. The remaining payments under the agreement comprised US\$1,000,000 payable upon the announcement of a revised Preliminary Economic Assessment (“PEA”) or similar report (milestone achieved and payment made during the year ended December 31, 2020) and US\$1,000,000 payable 30 days after the date that gold is poured from ore mined from the related properties. The vendor has the option to receive shares in the Company in settlement of this remaining payment of US\$1,000,000 up to achieving a maximum 4.9% ownership interest in the Company, above which level further share consideration is at the option of the Company.

In May 2019, the Company received an investment from Macquarie Bank Ltd and its affiliates (collectively, “Macquarie”) of \$4,000,000. As part of the investment by Macquarie, Macquarie subscribed for 6,000,000 common shares and acquired a 1% NSR royalty on the Imperial Project for a total cost of \$4,000,000 (the “Macquarie Royalty”). The agreement provides for certain rights for Macquarie to provide project development financing, rights of refusal and offer on additional royalty issuances and sales and prescribes the proceeds to be used primarily to advance permitting of the Imperial Project.

Long Valley Project

In March 2017, the Company purchased certain mining claims in the Long Valley area of California with an upfront payment of US\$350,000 to the vendor. The remaining payments under the agreement comprise US\$500,000 due 30 days after commencement of commercial production and US\$500,000 payable on the 12-month anniversary of the commencement of commercial production. A US\$25,000 deposit was paid to the vendor prior to execution of the purchase agreement, which will be applied to the final payment, unless forfeited in the event the agreement is terminated. The vendor has the option to receive shares in the Company in settlement of the remaining payments.

The vendor retained a net smelter return royalty on the claims (“the Seller NSR”). The Seller NSR provides for a royalty of 0.5% when the price of gold is under US\$1,400/oz, 1.0% when the price of gold is between US\$1,401 to US\$1,600/oz and 2.0% when the price of gold is above US\$1,600/oz. The Company has the option to purchase back 1% of the royalty when the price of gold is above US\$1,600/oz for US\$2 million if purchased prior to the announcement of a feasibility study or for US\$4 million if repurchased prior to commencement of commercial production. In addition, there is a further 1% NSR payable to another third party.

KORE MINING LTD.**Notes to the Condensed Interim Consolidated Financial Statements****September 30, 2023***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)***Exploration and Evaluation Expenses**

Details of the exploration and evaluation expenses incurred were as follows:

	For the three months ended September 30, 2023	For the three months ended September 30, 2022	For the nine months ended September 30, 2023	For the nine months ended September 30, 2022
	\$	\$	\$	\$
Claim holding and taxes	305,814	299,148	321,250	310,954
Contractors, professional fees and wages	50,554	29,896	110,958	210,205
Engineering and development	-	6,438	-	89,695
Geophysics and ground prospecting	-	4,251	-	57,510
Permitting and environment	-	-	-	38,838
Project administration and support	6,892	14,646	7,733	61,814
Technical reports and studies	-	2,113	-	392,696
Travel, logistics & camp costs	-	1,666	-	27,584
Taxes	22,042	-	22,042	(48,312)
	385,302	358,158	461,983	1,140,984

6. SHARE CAPITAL**Authorized**

Unlimited number of common shares with no par value.

Issued and outstanding

As at September 30, 2023, there were 201,826,357 (December 31, 2022 – 201,826,357) common shares outstanding.

Stock Options

Pursuant to a rolling stock option plan (the “Plan”) for directors, officers, employees and consultants, the Company may reserve a maximum of 10% of the issued and outstanding listed common shares, with the exercise price to be determined on the date of issuance of the options. The term of options granted under the plan may not exceed five years and such options vest at terms to be determined by the board of directors at the time of the grant, but the exercise price shall not be less than the price determined by the policies of the stock exchange on which the Company’s common shares are then listed.

A summary of stock options activity for the nine months ended September 30, 2023 was as follows:

	Number of options	Weighted average exercise price
		\$
Balance, December 31, 2022	8,825,000	0.40
Forfeited	(1,625,000)	0.57
Granted	400,000	0.05
Balance, September 30, 2023	7,600,000	0.34

KORE MINING LTD.**Notes to the Condensed Interim Consolidated Financial Statements****September 30, 2023***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

As at September 30, 2023, the following stock options were outstanding:

Expiry date	Number of options outstanding	Number of options exercisable	Exercise price \$
November 1, 2023	750,000	750,000	0.50
January 12, 2024	1,500,000	1,500,000	0.14
May 8, 2024	150,000	150,000	0.25
July 2, 2024	2,600,000	2,600,000	0.27
July 29, 2024	100,000	100,000	0.62
April 27, 2025	300,000	300,000	0.44
September 3, 2025	100,000	100,000	1.50
July 29, 2026	1,200,000	1,200,000	0.62
January 20, 2027	500,000	333,333	0.37
July 21, 2028	400,000	-	0.05
	7,600,000	7,033,333	0.34

On July 21, 2023, KORE granted an aggregate of 400,000 stock options to a consultant pursuant to investor relations services. The stock options granted to consultant are exercisable at \$0.05 per share for a five-year term and vest in equal one-fourth parts every three months from the date of grant.

Warrants

A summary of warrants activity for the nine months ended September 30, 2023 was as follows:

	Number of warrants	Weighted average exercise price \$
Balance, December 31, 2022	16,177,663	0.48
Expired	(5,019,726)	1.31
Balance, December 31, 2022	11,157,937	0.11

As at September 30, 2023, the following warrants were outstanding:

Expiry date	Number of warrants	Exercise price \$
November 16, 2027	11,157,937	0.11
	11,157,937	0.11

Restricted Share Units (“RSUs”) and Deferred Share Units (“DSUs”)

In October 2020, the Company’s shareholders approved the Omnibus Plan (“Omnibus Plan”), which is a fixed plan that reserves for issuance a maximum of 10,605,828 common shares as equity-based compensation awards. Together with the 10% rolling stock option plan, only a maximum of 10% of instruments under the Omnibus Plan and Option Plan may be granted to insiders. Awards under the plan may be granted in a form as designated by the Board, including restricted share units, deferred share units and other performance-based instruments.

KORE MINING LTD.**Notes to the Condensed Interim Consolidated Financial Statements****September 30, 2023***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

A summary of RSUs and DSUs activity for the nine months ended September 30, 2023 was as follows:

	Number of RSUs and DSUs
Balance, December 31, 2022	1,091,693
Forfeited	(138,828)
Granted	7,000,000
Balance, September 30, 2023	7,952,865

As at September 30, 2023, the following RSUs and DSUs were outstanding:

Expiry date	Number of RSUs and DSUs outstanding	Number of RSUs and DSUs exercisable
December 30, 2023	188,000	188,000
January 20, 2025	764,865	631,532
N/A	7,000,000	2,333,333
	7,952,865	3,152,865

On July 21, 2023, KORE granted 7,000,000 deferred share units ("DSUs") to its directors. The DSUs are redeemable into common shares of the Company at a deemed price of \$0.05 per share and vest in equal one-third parts: (i) on the date of grant, (ii) on the first anniversary of the date of grant, and (iii) on the second anniversary of the date of grant.

Share-Based Compensation

For the three months ended September 30, 2023, the Company granted 400,000 options to a consultant (2022 - 600,000 options to employees, consultants, and management) and 7,000,000 DSUs (2022 - 859,460 RSUs) to management. The fair value of the incentive stock options was determined to be \$18,160 (2022 - \$171,168) using the Black-Scholes valuation or \$0.05 (2022 - \$0.21) per stock option. The fair value of the DSUs was based on the price of the Company's common shares on the date of grant and was \$350,000 or \$0.05 per share (2022 - \$0.37 per share).

During the three and nine months ended September 30, 2023, the Company recognized \$171,569 and \$244,857 (2022 - \$140,987 and \$629,867), respectively as share-based payments expense in relation to the vesting of the granted stock options, DSUs and RSUs, due to the graded vesting of these instruments. For the three and nine months ended September 30, 2023, total share-based payments of \$Nil and \$47,825 (2022 - \$199,701),

KORE MINING LTD.**Notes to the Condensed Interim Consolidated Financial Statements****September 30, 2023***(Unaudited – Prepared by Management)**(Expressed in Canadian dollars unless otherwise stated)*

respectively, pertaining to previously recognized fair value of unvested stock options, were reversed due to forfeiture of such stock options.

Share-based payments expense related to options was determined using the following assumptions:

	July 21, 2023
Risk free interest rate	3.81%
Expected life	5.0
Annualized volatility	147%
Dividend rate	0%

7. RELATED PARTY TRANSACTIONS AND BALANCES**Related Party Transactions**

The Company shared office space and the related cost with Karus until May 31, 2023, when the office lease was terminated. During the three and nine months ended September 30, 2023, such administrative transactions with Karus amounted to \$Nil and \$26,312 (2022 - \$14,791 and \$44,118) respectively.

As at September 30, 2023, the total amount owing to Karus was \$6,810 (2022 - \$200,955 - owing by Karus to the Company). Karus provided a loan to the Company in the Principal Amount of USD\$225,000 (equivalent to \$306,450) in August 2023, which is recorded as Promissory Note. In the event that the Principal Amount is not repaid in full by October 12, 2023, the outstanding Principal Amount will bear interest at a rate of 10% per annum until repaid in full. The Principal Amount remains outstanding as of the date of approval of these condensed interim consolidated financial statements. The Company is in the process of negotiating alternative repayment terms with Karus.

During the year ended December 2022, the Company entered into a consulting agreement with the Chief Financial Officer ("CFO") of the Company for a monthly fee of \$8,500 through Avisar Everyday Solutions Ltd. ("Avisar"), a company where the CFO is a director and an officer, to provide accounting related services to KORE. During the three and nine months ended September 30, 2023, the Company incurred \$25,500 and \$76,500 (2022 - \$25,500 and \$42,500) respectively in professional fees to Avisar.

As at September 30, 2023, the total amount payable to Avisar was \$36,960 (2022 - \$18,480). This amount is unsecured, non-interest bearing and due on demand.

Key Management Compensation

Key management are those personnel having the authority and responsibility for planning, directing, and controlling the Company and include the Executive Chairman & Chief Executive Officer, Chief Financial Officer and Directors.

KORE MINING LTD.

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(Unaudited – Prepared by Management)

(Expressed in Canadian dollars unless otherwise stated)

The key management compensation was as follows:

	For the three months ended September 30, 2023	For the three months ended September 30, 2022	For the nine months ended September 30, 2023	For the nine months ended September 30, 2022
	\$	\$	\$	\$
Management fees and salaries	-	50,000	100,000	404,477
Share-based compensation	162,162	122,318	221,653	438,313
	162,162	172,318	321,653	842,790

As at September 30, 2023, a total of \$8,750 (2022 - \$42,083) was payable to key management personnel. The amount owing recorded in accounts payable and accrued liabilities is unsecured, non-interest bearing and due on demand.

As at the date of these condensed interim consolidated financial statements, the Company is in the process of settling in common shares the \$140,000 owing to key management personnel. As at September 30, 2023, this amount was reclassified from the accounts payable and accrued liabilities to shares to be issued.

8. RISK MANAGEMENT

Financial Risk Management

The Company may be exposed to risks of varying degrees of significance which could affect its ability to achieve its strategic objectives. The main objectives of the Company's risk management processes are to ensure that risks are properly identified and that the capital base is adequate in relation to those risks. The principal risks to which the Company is exposed are described below.

a. Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its cash and cash equivalents.

The Company has assessed its exposure to credit risk on its cash and cash equivalents and has determined that such a risk is minimal. Most of the Company's cash is held with reputable financial institutions in Canada.

b. Liquidity Risk

Liquidity risk is the risk that the Company is not able to meet its financial obligations as they fall due. As at September 30, 2023, the Company had a working capital deficit of \$681,558. The Company will seek additional financing through debt or equity offerings, but there can be no assurance that such financing will be available on terms acceptable to the Company or at all. The Company's approach to managing liquidity risk is to endeavor to ensure that it will have sufficient liquidity to meet liabilities when they fall due. The Company's financial liabilities, except Promissory Note issued to Karus, have contractual maturities of 30 days or are due on demand and are subject to normal trade terms.

c. Interest Rate Risk

Interest rate risk is the risk arising from the effect of changes in prevailing interest rates on the Company's financial instruments. The Company holds its cash and cash equivalents on which it earns variable rates of interest and may therefore be subject to a certain amount of risk, though this risk is immaterial.

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The fair value of KORE's reclamation bond is subject to interest rate fluctuations. The management does not believe the fluctuations in the fair value of the reclamation bond would have a significant impact on the Company's condensed interim consolidated financial statements given the overall low value of the reclamation bond.

d. Foreign Currency Risk

Foreign currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company maintains its cash reserves in Canadian and United States dollars. The portion of the Company's funds held in US dollars are subject to fluctuations in foreign exchange rates.

As at September 30, 2023, the Company has certain monetary items denominated in United States dollars. Based on these net exposures, a 10% appreciation or depreciation of the Canadian dollar against the United States dollar would result in a decrease or increase of \$47,967 in the Company's net loss.

Fair Values

The carrying values of cash, deposits and other receivables and trade and other accounts payable approximate fair values due to their short-term to maturity nature.

9. SEGMENTED INFORMATION

The Company operates in one reportable operating segment, being the acquisition, exploration, and development of exploration and evaluation properties in the United States. The following table shows the geographic breakdown of the Company's non-current assets:

	September 30, 2023		
	Canada	USA	Total
	\$	\$	\$
Mineral properties	-	1,875,121	1,875,121
Deposits	105,907	124,947	230,855
Equipment	-	66,485	66,485
Total	105,907	2,066,553	2,172,460

	December 31, 2022		
	Canada	USA	Total
	\$	\$	\$
Mineral properties	-	1,878,284	1,878,284
Deposits	114,173	125,161	239,334
Equipment	69,773	70,047	139,820
Total	183,946	2,073,492	2,257,438