

GOLDEN HORSE MINERALS LIMITED
(Formerly Altan Rio Minerals Limited)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian dollars)

June 30, 2023

Index

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

GOLDEN HORSE MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023
(Expressed in Canadian Dollars) (Unaudited)

Notice of Non-review of Condense 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 interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed 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 interim condensed consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada.

GOLDEN HORSE MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2023
(Expressed in Canadian Dollars) (Unaudited)

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
ASSETS		
Current		
Cash	1,772,528	127,323
Receivables (Note 5)	283,568	14,071
Prepayments	9,942	59,300
	<u>2,066,038</u>	<u>200,694</u>
Non-Current Assets		
Mineral properties (Note 6)	5,141,261	4,621,150
Other asset	109,669	-
Total Assets	\$ 7,316,968	\$ 4,821,844
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Trade and other payables	1,196,552	1,120,575
Loans and borrowings (Note 7)	42,568	313,797
Loans to related parties (Note 8)	192,588	359,921
Total Current Liabilities	1,431,708	1,794,293
Non-Current Liabilities		
Loans and borrowings (Note 7)	-	-
Total Liabilities	1,431,708	1,794,293
Shareholders' Equity (Deficiency)		
Share capital (Note 9)	25,774,064	24,167,228
Subscriptions received (Note 9)	287,649	181,520
Subscriptions receivable	(15,000)	(15,000)
Share premium reserve (Note 9)	2,415,624	2,415,624
Accumulated losses	(21,143,603)	(22,554,882)
Foreign exchange reserve	(1,433,474)	(1,166,939)
	<u>5,885,260</u>	<u>3,027,551</u>
Total Liabilities and Shareholders' Equity	\$ 7,316,968	\$ 4,821,844

Approved and authorized by the Board of Directors on August 29th, 2023.

<u>"Graeme Sloan"</u>	Director	<u>"John Jones"</u>	Director
Graeme Sloan		John Jones	

GOLDEN HORSE MINERALS LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME**

AS AT JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

	Three months ended		Six months ended	
	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
Income				
Sales of gold	4,015,787	-	4,015,787	-
Cost of sales	(2,264,642)	-	(2,264,642)	-
Gross profit	1,751,145	-	1,751,145	-
Expenses				
Advertising and promotion	8,077	4,790	(13,900)	9,095
Consulting and management fees	9,189	39,523	569	151,458
Directors' fees (Note 8)	(47,406)	36,833	(27,019)	36,833
Filing fees	14,568	15,302	16,143	35,408
Foreign exchange gain (loss)	(3,684)	4,901	(3,684)	4,883
Insurance	-	19,190	15,258	19,190
Interest expense (Note 7)	12,148	3,249	22,075	13,157
Loss on debt settlement	-	-	-	5,816
Office and general expenses	12,179	14,405	31,033	35,509
Professional fees	166,360	22,412	201,850	31,168
Rent	21,915	8,348	34,694	22,434
Share based compensation (Note 9)	14,030	36,477	50,106	72,553
Travel and accommodation	17,397	8,693	23,164	17,585
Wages and benefits	102,460	13,914	114,659	26,038
Total expenses	(327,233)	(228,037)	(464,948)	(481,127)
Interest income	2,409	23	3,601	23
Discounts received	7,246	-	7,246	-
Forgiven debt	54,103	-	54,103	-
Net profit / (loss) for the period	1,487,670	(228,014)	1,351,147	(481,104)
Other Comprehensive Income				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Translation adjustment	(186,713)	(313,327)	(266,535)	(246,993)
Total Comprehensive profit / (loss) for the period	\$ 1,300,957	\$ (541,341)	\$ 1,084,612	\$ (728,097)
Basic and diluted profit / (loss) per common share	0.01	(0.002)	0.01	(0.004)
Basic and diluted – weighted average number of common shares outstanding	134,102,957	108,653,214	134,102,957	108,653,214

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

GOLDEN HORSE MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASHFLOWS
AS AT JUNE 30, 2023
(Expressed in Canadian Dollars) (Unaudited)

	June 30, 2023 (Unaudited)	June 30, 2022 (Unaudited)
CASH FLOWS USED IN OPERATING ACTIVITIES		
Profit / (loss) for the year	1,300,957	(481,104)
Items not involving cash:		
Foreign exchange	-	(246,994)
Share-based compensation	50,106	72,553
Change in non-cash working capital items:		
Receivables	(274,266)	69,574
Prepaid expenses and deposits	145	479
Accounts payable and accrued liabilities	190,924	(72,839)
Due to/from related parties	(242,735)	78,882
Net cash used in operating activities	1,025,131	(579,449)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Exploration and evaluation assets acquisition	(677,896)	(416,384)
Other Assets acquisition	(109,669)	-
Net cash used in investing activities	(787,565)	(416,384)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Proceeds from share issuances	1,712,964	706,782
Repayment of loans	(265,909)	-
Net cash provided by financing activities	1,447,055	706,782
Change in cash for the period	1,684,621	(289,051)
Impact of foreign exchange on cash	(39,416)	97,390
Cash, beginning of period	127,323	192,114
Cash, end of period	\$ 1,772,528	\$ 453

Supplemental cash flow disclosure (Note 11)

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

GOLDEN HORSE MINERALS LIMITED

CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)

AS AT JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

	Number of shares	Amount	Subscriptions Received	Subscriptions Receivable	Reserves	Deficit	Accumulated Other Comprehensive Loss	Total Shareholders' Equity (Deficiency)
		\$	\$	\$	\$	\$	\$	\$
Balance at December 31, 2021	99,889,294	23,154,177	336,270	(15,000)	2,003,234	(21,520,936)	(1,077,429)	2,880,316
Loss for the period	-	-	-	-	-	(1,092,580)	-	(1,092,580)
Shares issued for private placement	7,726,885	927,224	(154,750)	-	-	-	-	772,474
Share issuance costs	-	(38,617)	-	-	-	-	-	(38,617)
Shares issued for debt settlement	1,037,035	124,444	-	-	-	-	-	124,444
Share based payments	-	-	-	-	412,390	-	-	412,390
Translation adjustment	-	-	-	-	-	58,635	(89,510)	(30,875)
Balance at December 31, 2022	108,653,214	24,167,228	181,520	(15,000)	2,415,624	(22,554,881)	(1,166,939)	3,027,551
Profit for the period	-	-	-	-	-	1,351,147	-	1,351,147
Shares issued for private placement	23,076,923	1,375,486	106,129	-	-	-	-	1,481,615
Shares issued for debt settlement	2,372,820	231,350	-	-	-	-	-	231,350
Translation adjustment	-	-	-	-	-	60,131	(266,535)	(206,404)
Balance at June 30, 2023	134,102,957	25,774,064	287,649	(15,000)	2,415,624	(21,143,603)	(1,433,474)	5,885,260

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

GOLDEN HORSE MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Golden Horse Minerals Limited (formerly Altan Rio Minerals Limited) (the “Company”), a limited liability company registered in British Columbia, Canada, is a mineral exploration company listed on the TSX Venture Exchange (the “Exchange”) under the symbol “GHML” (formerly “AMO”) and is engaged in the acquisition, exploration of mineral projects in Western Australia.

Following the approval of the Company’s reactivation application submitted to the Exchange, the Company was listed as a Tier 2 issuer on the Exchange effective at the commencement of trading on October 6, 2020 (the “Reactivation”). Prior to the Reactivation, the Company had been listed on NEX under the symbol “AMO.H”.

The Company’s head office and registered and records office address is 1700-666 Burrard Street, Vancouver, British Columbia, Canada V6C 2X8.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

Going Concern

The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

For the period ended June 30 2023, the group incurred a net profit of \$1,300,957 (June 2022: Loss of \$728,097) and incurred net cash outflows from operating activities of \$1,025,131 (June 2022: \$579,449). The Group had a net working capital surplus of \$575,976 (Dec 2022: Deficiency of \$1,593,599) trade and other payables of \$1,196,552 (Dec 2022: \$1,120,575) and borrowings of \$42,568 (31 Dec 2022: \$313,797) at reporting date.

The ability of the Group to continue as a going concern is dependent on the Group securing additional funding through the issue of equity or the raising of debt.

These conditions indicate a material uncertainty that may cast significant doubt about the entity’s ability to continue as a going concern and therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management has prepared a cash flow forecast for a period of 12 months beyond the sign off date of this financial report and believes there are sufficient funds to meet the Group’s working capital requirements. The financial statements have been prepared on the basis that the entity is a going concern, which contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business for the following reasons:

- The Group has a proven history of successfully raising capital;
- The Directors believe that there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities; and
- Cash spending can be reduced or slowed below its current rate if required.

Should the entity not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements and that the financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

GOLDEN HORSE MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

2. BASIS OF PRESENTATION

Statement of compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”).

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as and measured at their fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified. In addition, the consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The accounting policies adopted in this interim financial report are consistent with those of the previous financial year and corresponding interim period, except for those policies disclosed in note 3.

The consolidated financial statements were authorized for issue by the Board of Directors on August 28, 2023.

3. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries (“Group”). All intercompany transactions and balances have been eliminated upon consolidation. The Company’s subsidiaries are listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
Altan Rio Holdings Canada Limited	Canada	100%	Holding company
Altan Rio Holdings Limited (1)	British Virgin Islands	100%	Holding company
Altan Rio Limited (1)	British Virgin Islands	100%	Holding company
GS Minerals Corp. Ltd.	Bermuda	100%	Holding company
BraveHeart Resources LLC	Mongolia	100%	Holding company
Altan Rio Mongolia LLC	Mongolia	100%	Project exploration
Altan Rio Minerals (Aust) Pty Ltd	Australia	100%	Project exploration

Note (1): Altan Rio Holdings Limited and Altan Rio Limited that were incorporated in British Virgin Islands were dissolved on November 2nd, 2022 and July 4th, 2023 respectively.

New or amended Accounting Standards and Interpretations adopted.

In the period ended 30 June 2022, the Board of Directors have reviewed all of the new and revised Standards and Interpretations issued by the IASB that are relevant to the Group and effective for the current reporting periods beginning on or after 1 January 2023. As a result, there are no new standards since last reporting date of 31 December 2022 that the Group is required to adopt or make retrospective assessment prior to adoption.

4. CASH AND CASH EQUIVALENTS

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Cash on hand	\$ 1,772,528	\$ 127,323

GOLDEN HORSE MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

5. RECEIVABLES

The Company's receivables are broken down as follows:

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Advances receivable	\$ 128	\$ 128
Sales tax receivable	283,440	13,943
Total	\$ 283,568	\$ 14,071

6. EXPLORATION AND EVALUATION ASSETS

	Southern Cross	Chandman-Yol	TOTAL
Balance, December 31, 2021	3,986,598	127,297	4,113,895
Exploration costs	662,770	-	662,770
Foreign exchange movements	(28,218)	-	(28,218)
Exploration costs written off	-	(127,297)	(127,297)
Balance, December 31, 2022	4,621,150	-	4,621,150
Exploration costs	726,597	-	726,597
Foreign exchange movements	(206,486)	-	(206,486)
Balance, June 30, 2023	5,141,261	-	5,141,261

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation assets in which the Company has committed to earn an interest are located in Western Australia.

The terms and commitments of the Company with respect to its exploration and evaluation assets are subject to change if and when the Company and its partners mutually agree to new terms and conditions.

Southern Cross is located approximately 370 kilometers east of Perth, Western Australia and Chandman-Yol is located 1,050 kilometers from the Capital City of Ulaanbaatar in Mongolia.

7. LOANS AND BORROWINGS

On September 9, 2019, the Company entered into a loan agreement with Parkwise Corp. Pty. Ltd. ("Parkwise") ATF The AKW Trust for an unsecured credit facility of \$200,000 (the "initial loan"). The loan bears interest at a rate of 12.5%, payable monthly in arrears. During the year ended December 31, 2020, the Company received an additional loan of \$100,000 (the "additional loan") and made repayments of \$100,000. The loan was repaid in full on July 22, 2021.

In connection with the Parkwise loans, the Company issued 6,000,000 common share purchase warrants to Parkwise (the "Bonus Warrants"), each Bonus Warrant entitles Parkwise to acquire one common share of the Company (each a "Bonus Warrant Share"). As at December 31, 2022, all Bonus Warrants were exercised (Note 9.b).

On May 5, 2021, the Company entered into the Loan Agreement with Lionel Street Pty Ltd ("Lionel") pursuant to which the Company may borrow up to A\$500,000. The loan bears interest at a rate of 12.5%, payable monthly in arrears and is secured by a Promissory Note.

GOLDEN HORSE MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

7. LOANS AND BORROWINGS (cont'd...)

In connection with the execution of the Loan Agreement, Lionel advanced the Company A\$200,000 on May 5, 2021. On June 1, 2021, Lionel advanced the Company A\$150,000 in accordance with the terms of the Loan Agreement. In connection with these advances, the Company issued 2,407,248 Bonus Warrants to Lionel, each such Bonus Warrant entitling Lionel to acquire one common share of the Company (each a Bonus Warrant Share). The estimated fair value of the Bonus Warrants was determined using the Black-Scholes option pricing model (Note 9.b). The principal was repaid in full on 28 June 2023.

December 31, 2021	\$	450,141
Additions		-
Interest		36,224
Repayments		(36,224)
Foreign exchange adjustment		(2,239)
Finance cost		146,309
Changes in fair value of warrant liability		(280,414)
December 31, 2022	\$	313,797
Finance cost		50,106
Interest		44,443
Repayments		(365,778)
Foreign exchange adjustment		-
June 30, 2023		42,568

8. RELATED PARTY TRANSACTIONS

The Company entered into the following transactions with related parties:

As at June 30, 2023, an amount of \$50,514 (December 2022 - \$27,268) is owed to Kerry Griffin, a Director of the Company, for geological consulting services.

As at June 30, 2023, an amount of \$87,227 (December 2022 - \$70,263) is owed to Robert Williams, an officer of the Company, for accounting services.

As at June 30, 2023, an amount of \$27,542 (December 2022 - \$28,876) is owed to Surveyor Resources Pty Ltd, a company controlled by a director of the Company. The outstanding amount and repayments made during the year ended December 31, 2022 relate to the joint venture agreement between the Company's wholly owned subsidiary, Altan Rio Minerals (Aust) Pty. Ltd. and Surveyor Resources Pty Ltd (Note 7).

As at June 30, 2023, an amount of \$27,305 (December 2022 - \$4,443) is owed to Brian Cole, a Director of the Company

These transactions were incurred in the normal course of operations, on an arms length basis. The payables are non-interest bearing and due on demand.

Key Management Personnel:

Key management personnel include those persons having authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and other members of key management personnel during the six months ended June 30, 2023 are as follows:

GOLDEN HORSE MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

8. RELATED PARTY TRANSACTIONS (cont'd...)

	June 30, 2023 (Unaudited)	December 31, 2022 (Audited)
Management and consulting fees	\$ -	\$ 113,624
Director fees	10,739	77,547
Share-based compensation	-	325,408
Total	\$ 10,739	\$ 516,579

9. SHARE CAPITAL**Authorized share capital**

There is unlimited number of common and preferred voting shares without nominal or par value.

Issued share capital

- a) On April 1, 2022, the Company closed a non-brokered private placement of up to 16,666,666 units at a price of \$C0.12 per unit for gross aggregate proceeds of up to C\$2 million (the “offering”). Each unit consisted of one common share of the Company (each, a “Share”) and one common share purchase warrant (each, a “Warrant”), with each Warrant entitling the holder thereof to purchase one Share for a period of 36 months from closing at a price of C\$0.18 per Share. The Company will be entitled, in its sole discretion, to accelerate the expiry date of the Warrants upon the occurrence of Shares trading at a VWAP of at least C\$0.25 on the TSX Venture Exchange (the “TSXV”) on ten (10) consecutive trading days. The Company received applications for 7,726,885 units and subsequently closed the placement. 7,726,885 units were issued on April 1, 2022.

Additionally, the Company issued 76,800 Broker Warrants to Canaccord Genuity Financial Limited as a Finder’s Fee on the same terms as Warrants issued under the offering. The securities underlying the Units sold in the Private Placement are subject to a statutory resale hold period under applicable Canadian securities laws which expired on August 2, 2022. The estimated fair value of the Warrants was determined using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, volatility of 110%, risk-free rate of 2.75%, exercise price of C\$0.20 and expected life of 4 years.

- b) In connection with the Lionel loan, the Company issued 2,407,248 share purchase warrants to Lionel (the “Bonus Warrants”) with a fair value of \$292,619. The estimated fair value of the Bonus Warrants was determined using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, volatility of 261.51%-369.83%, risk-free rate of 0.29% and expected life of 2 years. Each Bonus Warrant entitles Lionel to acquire one common share of the Company (each a “Bonus Warrant Share”) on the following terms and conditions:
- 1,363,569 Bonus Warrant Shares at \$0.135 per share with an expiry date of May 5, 2023; and
 - 1,043,679 Bonus Warrant Shares at \$0.13 per share with an expiry date of May 5, 2023.

The Bonus Warrants that were issued in connection with the Lionel loan, expired on May 5, 2023.

- c) During the period the Company issued 5,050,000 warrants to KMP, which vested immediately with a fair value of \$325,408. The estimated fair value of the Warrants was determined using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, volatility of 110%, risk-free rate of 2.75%, exercise price of C\$0.20 and expected life of 4 years.

GOLDEN HORSE MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

9. SHARE CAPITAL (cont'd...)**Stock options**

The Company established a stock option plan (the "Plan") for directors, employees, and consultants of the Company. From time to time, shares may be reserved by the Board, in its discretion, for options under the Plan, provided that at the time of the grant, the total number of shares so reserved for issuance by the Board shall not exceed the greater of 10% of the issued and outstanding listed shares (on a non-diluted basis) as at the date of grant. Options are non-assignable and may be granted for a term not exceeding that permitted by the Exchange, currently ten years.

All stock options issued are subject to vesting terms. Options issued to officers and/or consultants might be subjected to a vest term depending on date of grant and nature of service.

	Number of Options	Weighted Average Exercise Price
Outstanding options, December 31, 2021	5,700,000	\$0.12
Options granted	5,000,000	\$0.20
Options expired	(2,750,000)	\$0.12
Outstanding options, June 30, 2023	7,950,000	\$0.17

The estimated fair value of options granted during the year ended December 31, 2022 was determined using the Black-Scholes option pricing model with the following assumptions: dividend yield of 0%, volatility of 234.92, risk-free rate of 110% and expected life of options of 3-4 years.

As at June 30, 2023, the following stock options were outstanding and exercisable:

Number of Stock Options	Exercise Price	Expiry Date
2,200,000	\$0.09	June 26, 2024
1,500,000	\$0.19	December 22, 2023
4,250,000	\$0.20	April 26, 2026
7,950,000		

Warrants

A summary of share purchase warrant activities is as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, December 31, 2021	13,289,940	\$0.146
Granted	8,840,720	\$0.180
Expired	(2,407,248)	\$0.133
Outstanding warrants, June 30, 2023	19,723,412	\$0.163

As at June 30, 2023, the following warrants were outstanding and exercisable:

Number of Warrants	Exercise Price	Expiry Date
10,882,692	\$0.150	October 1, 2023
7,803,685	\$0.180	April 1, 2025
19,723,412		

GOLDEN HORSE MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

10. INCOME TAXES (cont'd...)

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	June 30, 2023	June 30, 2022
Profit / (loss) for the year	\$ 1,300,957	\$ (481,104)
Expected income tax (recovery)	344,155	(127,271)
Change in statutory, foreign tax, foreign exchange and other	(37,786)	93,660
Permanent differences	138,000	138,000
Share issue cost	-	-
Change in unrecognized deductible temporary differences	(444,369)	(104,389)
Total income tax expense	\$ -	\$ -

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2023	Expiry Date Range	2022	Expiry Date Range
Temporary Differences				
Exploration and evaluation assets	\$ 92,000	No expiry date	\$ 92,000	No expiry date
Share issue costs	112,000	2040 to 2044	112,000	2040 to 2044
Non-capital losses available for future period	\$ 7,189,778	2030 to 2041	\$ 8,490,735	2030 to 2041

Tax attributes are subject to review, and potential adjustment, by tax authorities.

11. SUPPLEMENTAL CASH FLOW DISCLOSURE

The following non-cash transactions were incurred for the period ended:

	June 30, 2023	June 30, 2022
Shares issued for debt	\$ -	\$ 124,444
Exploration expenses in accounts payable	547,935	-
	\$ 547,935	\$ 124,444

12. SEGMENTED INFORMATION

The Company operates in one business segment, the exploration of exploration and evaluation assets. The Company's exploration activities are centralized whereby management of the Company is responsible for business results and the everyday decision-making.

The Company's capital assets are located Australia and during the year ended June 30, 2023, the Group has actively undertaken exploration, evaluation and development in Australia. Reportable segments are represented as follows:

GOLDEN HORSE MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

12. SEGMENTED INFORMATION (cont'd...)

	June 30, 2023	December 31, 2022
Exploration and evaluation assets		
Australia	\$ 5,141,261	\$ 4,621,150
	\$ 5,161,261	\$ 4,621,150

13. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. In the management of capital, the Company includes components of equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage, as such the Company is dependent on external financing to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

There were no changes to the Company's capital management approach during the year ended June 30, 2023. The Company is not subject to any externally imposed requirements.

14. FINANCIAL INSTRUMENTS

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit Risk

Credit risk is the risk of loss associated with counterparty's inability to fulfil its payment obligations. The Company's cash are held at a large Canadian financial institution in interest-bearing accounts. The Company has no investment in asset backed commercial paper. The Company's receivables consist mainly of sales tax receivable due from the Government of Canada, the Australian Taxation Office and due from related parties. The Company believes it has no significant credit risk.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at June 30, 2023, the Company has cash of \$1,772,528 (December 2022 \$127,323) to settle current liabilities of \$1,431,708 (December 2022 \$1,794,293). As disclosed in Note 1, the Company will need to raise additional funds to meet its obligations as they come due. The Company is exposed to liquidity risk.

GOLDEN HORSE MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

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14. FINANCIAL INSTRUMENTS (cont'd...)a) *Financing arrangements*

Unused borrowing facilities at the reporting date:

	2023		2022	
Loan	C\$	-	C\$	137,715
	C\$	-	C\$	137,715

The loan facility has been fully repaid and no longer available.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices and foreign currency fluctuations.

a) *Interest rate risk*

The Company has cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

b) *Foreign currency risk*

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables, accounts payables and accrued liabilities, loans payable, and due to/from related parties that are denominated in Canadian dollars, and Australian dollars.

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

Consolidated	Assets		Liabilities	
	June 30, 2023	December 31, 2022	June 30, 2023	December 31, 2022
Australian dollars	8,390,520	5,348,865	1,197,879	1,400,588
	<u>8,390,520</u>	<u>5,348,865</u>	<u>1,197,879</u>	<u>1,400,588</u>

c) *Price risk*

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

14. FINANCIAL INSTRUMENTS (cont'd...)

Sensitivity Analysis

The Company operates in Australia and Mongolia and is exposed to risk from changes in the Australian dollar as well as Canadian dollar. There is nonmaterial expenditure in Mongolia. A simultaneous 10% fluctuation in the Australian dollar against the Canadian dollar would affect accumulated other comprehensive profit for the year ended June 30, 2023 by approximately \$6,000 (2022 loss \$9,750).

15. COMMITMENTS AND CONTINGENCIES

As at June 30, 2023 and 2022 the Group had no material commitments or contingencies.

16. USE OF ESTIMATES

Critical Judgments

The preparation of the consolidated financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined as disclosed above.

Key Sources of Estimation Uncertainty

Significant estimates made by management affecting our consolidated financial statements include:

Estimation of fair value of share-based payments

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined using the Black-Scholes model taking into account the assumptions.

Economic recoverability and probability of future economic benefits of exploration and evaluation assets

Management has determined that exploration, evaluation, and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including, geologic and other technical information, a history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

17. SUBSEQUENT EVENTS

On July 4th, 2023, Golden Horse Minerals announced that it the Company has satisfied all conditions, including the issue of shares for its previously announced acquisition of 100% of 14 key tenements in the Southern Cross region of Western Australia from Surveyor Resources Pty Ltd

On July 7th, 2023, Golden Horse Minerals announced announce it has upsized its previously announced non-brokered private placement of common shares in the capital of the Company to up to 16,250,000 Shares at a price of C\$0.08 per share for gross aggregate proceeds of up to C\$1,300,000.

On July 20th, 2023, Golden Horse Minerals announced the Company will change its name to Golden Horse Minerals Limited from Altan Rio Minerals effective Friday, July 21, 2023. The common shares of the Company will commence trading on the TSX Venture Exchange (the "TSXV") under the new name with a new trading symbol "GHML" at market open on July 21, 2023. The change in name and trading symbol does not reflect any material change to the Company's capital structure.

GOLDEN HORSE MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED JUNE 30, 2023

(Expressed in Canadian Dollars) (Unaudited)

17. SUBSEQUENT EVENTS (cont'd...)

On August 1st, 2023, Golden Horse Minerals announced the Company has entered into agreements to acquire the Ennuin Package, including: The Birthday Mine project, Ennuin exploration tenement, Newfield East prospect, and associated infrastructure. Also, on the August 1st entered into an agreement to acquire a Strategic prospecting lease over historic 1.5 million ounce Copperhead gold mine and the remaining 10% equity of E77/2691 and the following tenements P77/4593 (South of Battler Gold Mine) and E77/2829. The material commercial terms for these acquisitions, Golden Horse to pay a total of A\$90,000 cash to the vendors for the two tenements P77/4593 & E77/2829.

The purchase of the remaining 10% equity in E77/2691 will result in the Company of paying the vendors a total of A\$300,000 worth of fully paid common shares in Golden Horse. The transaction details have also been revised with a 0.5% increase in the gross smelter royalty to 2% gross smelter royalty on all metals and minerals extracted from the tenement.

The Ennuin Package including tenements E77/2429, M77/450, L77/262, G77/123, P77/4629, P77/4630 & P77/4631, Golden Horse will pay A\$100,000 cash and issue A\$175,000 worth of fully paid common shares in Golden Horse upon execution and subsequently pay A\$150,000 cash upon the lesser of dual listing or within 6 months of execution plus a 1.5% Gross Smelter Royalty capped at A\$800,000. Golden Horse has the election to extend 6 months with the payment of a A\$50,000 extension fee.

The strategic Copperhead prospecting tenement, P77/4357 Golden Horse will pay A\$50,000 cash on execution and issue A\$250,000 worth of common paid ordinary shares in Golden Horse and subsequently pay A\$200,000 cash upon the lesser of dual listing or within 6 months of execution plus a 1.5% Gross Smelter Royalty capped at A\$800,000. Golden Horse has the election to extend 6 months with the payment of a A\$50,000 extension fee. The foregoing acquisitions and related issuance of common shares of the Company to the vendors remain subject to the approval of the TSX Venture Exchange.