

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)

Compiled Financial Statements

For the Periods Ended
September 30, 2021 and December 31, 2020

Prepared By
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Certified Public Accountant

Sidney Resources Corporation

(An Exploration Stage Company)

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To the Board of Directors
Sidney Resources Corporation
Lewiston, ID

Management is responsible for the accompanying financial statements of Sidney Resources Corporation (An Exploration Stage Company), which comprise the balance sheets as of September 30, 2021 and December 31, 2020 and the related statements of income for the three months and nine months ended September 30, 2021 and September 30, 2020, and for the period beginning March 4, 2003 (inception) through September 30, 2021, and changes in stockholders' equity, and cash flows for the nine months ended September 30, 2021 and September 30, 2020 and for the period beginning March 4, 2003 (inception) through September 30, 2021, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. I have performed the compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. I did not audit or review the financial statements nor was I required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, I do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

I am not independent with respect to Sidney Resources Corporation.



Wm. Thomas Baker CPA
November 12, 2021

Sidney Resources Corporation
(An Exploration Stage Company)
BALANCE SHEETS
September 30, 2021 and December 31, 2020

	<u>09/30/21</u>	<u>12/31/20</u>
ASSETS		
<u>CURRENT ASSETS</u>		
CASH	\$ 568,898	\$ 63,298
PREPAID INSURANCE	3,469	-
PREPAID LEASE	23,970	-
TOTAL CURRENT ASSETS	<u>596,337</u>	<u>63,298</u>
<u>FIXED ASSETS</u>		
FIXED ASSETS	19,230	-
VEHICLES	-	-
ACCUM DEPRECIATION	(447)	-
TOTAL FIXED ASSETS	<u>18,783</u>	<u>-</u>
<u>OTHER ASSETS</u>		
PREPAID MINE LEASE - NET OF AMORTIZATION	1,050,000	1,260,000
INTANGIBLE ASSETS - NET OF AMORTIZATION	1,050,000	-
SECURITY DEPOSIT	3,995	-
LEASE ACQUISITION COSTS	281,050	281,050
TOTAL OTHER ASSETS	<u>2,385,045</u>	<u>1,541,050</u>
TOTAL ASSETS	<u><u>\$ 3,000,165</u></u>	<u><u>\$ 1,604,348</u></u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
<u>CURRENT LIABILITIES</u>		
ACCOUNTS PAYABLE	\$ 66,175	\$ 70,930
CREDIT CARDS DUE	13,960	1,707
DEPOSITS	37,500	85,600
TOTAL CURRENT LIABILITIES	<u>117,635</u>	<u>158,237</u>
<u>STOCKHOLDERS' EQUITY</u>		
REVENUE SHARING AGREEMENT	130,000	125,000
PREFERRED STOCK - .0001 par value, authorized 10,000,000 shares, none issued	-	-
COMMON STOCK - .0001 par value, 500,000,000 shares authorized, 319,869,688 and 268,286,830 shares issued and outstanding, respectively	31,987	26,829
PAID IN CAPITAL	9,650,925	6,334,733
DEFICIT ACCUMULATED DURING THE EXPLORATION PERIOD	(6,930,382)	(5,040,451)
TOTAL STOCKHOLDERS' EQUITY	<u>2,882,530</u>	<u>1,446,111</u>
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	<u><u>\$ 3,000,165</u></u>	<u><u>\$ 1,604,348</u></u>

See accountant's report and notes to financial statements

Sidney Resources Corporation

(An Exploration Stage Company)

INCOME STATEMENTS

For the three months and nine months ended September 30, 2021, 2020
and for the period beginning 3/4/2003 (Inception) through 9/30/2021

	Three Months Ended		Nine Months Ended		Since
	9/30/2021	9/30/2020	9/30/2021	9/30/2020	Inception
<u>GROSS REVENUE</u>	\$ -	\$ -	\$ -	\$ -	\$ -
<u>EXPENSES</u>					
ADVERTISING	\$ -	\$ -	\$ 1,295	\$ 446	\$ -
BANK CHARGES	-	-	175	-	-
CONSULTING FEES	1,102,500	-	1,554,000	145,000	-
COMPUTER AND INTERNET	538	497	1,708	423	-
EDUCATION	-	-	-	-	-
EXPLORATION COSTS	3,215	-	90,747	98,010	317,177
AMORTIZATION LAND LEASE	70,000	3,000	210,000	70,000	410,000
FUEL	-	-	-	-	-
DEPRECIATION	361	-	447	-	45,325
LICENSES AND FEES	-	1,885	-	-	-
INTEREST AND FINANCE CHARGES	134	-	134	-	-
INSURANCE	1,155	-	2,993	-	-
LEGAL AND ACCOUNTING	2,985	2,954	5,935	5,325	-
DUES AND SUBSCRIPTIONS	-	-	-	30	-
PRINTING AND POSTAGE	250	64	651	340	-
OFFICE EXPENSES	35	-	35	64	-
RENT	1,621	581	1,621	-	-
PROFESSIONAL FEES	1,815	5,899	4,460	421,938	-
REPAIRS	3,189	-	3,189	-	-
STORAGE	-	-	-	-	-
SUPPLIES	4,830	-	5,981	3,962	-
MEALS AND ENTERTAINMENT	16,210	-	16,210	225	-
TAXES	-	-	22	-	-
TELEPHONE	186	-	559	294	-
TRANSFER FEES	-	-	-	-	-
TRAVEL	3,189	-	3,189	-	-
UTILITIES	-	-	-	-	-
ADMINISTRATIVE COSTS	-	-	-	-	6,967,225
TOTAL EXPENSES	1,212,213	14,880	1,903,351	746,057	7,739,727
NET LOSS BEFORE OTHER INCOME	(1,212,213)	(14,880)	(1,903,351)	(746,057)	(7,739,727)
<u>OTHER INCOME (EXPENSES)</u>					
RELIEF OF DEBT	-	-	13,420	-	808,589
GAIN (LOSS) ON SALE OF ASSETS	-	-	-	-	756
NET (LOSS) INCOME	\$ (1,212,213)	\$ (14,880)	\$ (1,889,931)	\$ (746,057)	\$ (6,930,382)

See accountant's report and notes to financial statements

Sidney Resources Corporation

(An Exploration Stage Company)

STATEMENT OF CASH FLOWS

For the periods ended September 30, 2021, September 30, 2020 and for the period beginning 3/4/2003 (Inception) through 9/30/21

	Nine Months <u>9/30/21</u>	Nine Months <u>9/30/20</u>	Since <u>Inception</u>
Cash flows from operating activities			
Net Income (Loss)	\$ (1,889,931)	\$ (746,057)	\$ (6,930,382)
Adjustments to reconcile net income to net cash provided by operating activities			
Depreciation and amortization	210,447	70,000	401,325
Increase (decrease) in accounts payable	(4,755)	4,377	13,211
Increase (decrease) in accrued liabilities	12,253	5,296	13,960
(Increase) decrease in prepaid expenses	(31,434)	-	(37,434)
Increase (decrease) in deposits	(48,100)	112,500	37,500
Total Adjustments	138,411	192,173	428,562
Net cash provided (used) by operating activities	(1,751,520)	(553,884)	(6,501,820)
Cash flow from investing activities			
Purchase of Intangible Assets	(1,050,000)	(1,400,000)	(2,731,050)
Gross proceeds on sale of equipment	-	-	30,683
Cash payments for the purchase of property	(19,230)	-	(41,827)
Net cash provided (used) by investing activities	(1,069,230)	(1,400,000)	(2,742,194)
Cash flow from financing activities			
Proceeds from issuance of common stock	3,321,350	2,090,000	9,682,912
Proceeds from revenue sharing agreement	5,000	-	130,000
Net cash provided (used) by financing activities	3,326,350	2,090,000	9,812,912
Net increase (decrease) in cash and equivalents	505,600	136,116	568,898
Cash and equivalents, beginning of year	63,298	38,691	-
Cash and equivalents, end period	\$ 568,898	\$ 174,807	\$ 568,898

Supplemental disclosures of cash flow information:

	<u>9/30/2021</u>	<u>9/30/2020</u>
Interest Expense	\$ 134	\$ -
Taxes	\$ 22	\$ -

See accountant's report and notes to financial statements

SIDNEY RESOURCES CORPORATION

(An Exploration Stage Company)

STATEMENT OF SHAREHOLDERS' EQUITY

For the Period Beginning March 4, 2003 (Inception) through September 30, 2021

	Revenue Sharing	Preferred Stock	Common Stock		Additional	Deficit		
	Agreement	Shares	Amount	Shares	Amount	Contributed	Accumulated	Total
						Capital	During	
							Exploration	
							Period	
March 4, 2003 Initial								
Capitalization	-	-	\$-	8,000,000	\$8,000	\$2,292,322	\$ (2,353,286)	\$ (52,964)
Quasi reorganization	-	-	-	-	-	(2,292,322)	2,292,322	-
Stock sales	-	-	-	6,852,500	6,852	644,584	-	651,436
Stock for services	-	-	-	1,212,647	1,213	120,052	-	121,265
Stock for Lease acquisition	-	-	-	500,000	500	49,500	-	50,000
Net loss for the period	-	-	-	-	-	-	(396,261)	(396,261)
Balances at December 31, 2003	-	-	-	16,565,147	16,565	814,136	(457,225)	373,476
Stock sales	-	-	-	785,000	785	97,290	-	98,075
Stock for services	-	-	-	2,514,000	2,514	213,886	-	216,400
Stock for equipment	-	-	-	93,750	94	9,281	-	9,375
Stock warrants exercised	-	-	-	400,000	400	99,600	-	100,000
Net loss for the year ended	-	-	-	-	-	-	(558,876)	(558,876)
Balance at December 31, 2004	-	-	-	20,357,897	20,358	1,234,193	(1,016,101)	238,450
Stock sales	-	-	-	8,550,000	8,550	408,950	-	417,500
Stock for services	-	-	-	1,750,000	1,750	173,250	-	175,000
Net loss for the year ended	-	-	-	-	-	-	(516,401)	(516,401)
Balance at December 31, 2005	-	-	-	30,657,897	30,658	1,816,393	(1,532,502)	314,549
Stock sales	-	-	-	1,420,220	1,420	69,580	-	71,000
Stock for services	-	-	-	660,000	660	32,340	-	33,000
Net loss for the year ended	-	-	-	-	-	-	(250,394)	(250,394)
Balance at December 31, 2006	-	-	-	32,738,117	32,738	1,918,313	(1,782,896)	168,155
Stock sales	-	-	-	2,353,216	2,353	110,337	-	112,690
Stock for services	-	-	-	12,109,000	12,109	593,341	-	605,450
Net loss for the year ended	-	-	-	-	-	-	(764,334)	(764,334)
Balances at December 31, 2007	-	-	-	47,200,333	47,200	2,621,991	(2,547,230)	121,961
Stock sales	-	-	-	2,010,800	2,011	55,584	-	57,595
Stock for services	-	-	-	7,823,000	7,823	226,867	-	234,690
Stock for supplies	-	-	-	275,000	275	7,975	-	8,250
Net loss for the year ended	-	-	-	-	-	-	(425,014)	(425,014)
Balance at December 31, 2008	-	-	-	57,309,133	57,309	2,912,417	(2,972,244)	(2,518)
Stock sales	-	-	-	2,710,000	2,710	34,128	-	36,838
Stock for services	-	-	-	4,440,000	4,440	173,160	-	177,600
Change of Domicile/par value	-	-	-	-	(58,013)	58,013	-	-
Net loss for the year ended	-	-	-	-	-	-	(541,972)	(541,972)
Balance at December 31, 2009	-	-	-	64,459,133	6,446	3,177,718	(3,514,216)	(330,052)
Stock sales	-	-	-	2,862,500	286	52,014	-	52,300
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(161,122)	(161,122)
Balance at December 31, 2010	-	-	-	67,321,633	6,732	3,229,732	(3,675,338)	(438,874)
Stock sales	-	-	-	14,995,197	1,500	72,623	-	74,123
Stock for services	-	-	-	9,000,000	900	179,100	-	180,000
Net loss for the year ended	-	-	-	-	-	-	(335,842)	(335,842)
Balance at December 31, 2011	-	-	-	91,316,830	9,132	3,481,455	(4,011,180)	(520,593)
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(34,086)	(34,086)
Balance at December 31, 2012	-	-	-	91,316,830	9,132	3,481,455	(4,045,266)	(554,679)
Stock sales	-	-	-	600,000	60	5,940	-	6,000
Stock for services	-	-	-	-	-	-	-	-
Net gain for the year ended	-	-	-	-	-	-	780,507	780,507
Balance at December 31, 2013	-	-	-	91,916,830	9,192	3,487,395	(3,264,759)	231,828

See accountant's report and notes to financial statements

SIDNEY RESOURCES CORPORATION

(An Exploration Stage Company)

STATEMENT OF SHAREHOLDERS' EQUITY (Continued)

For the Period Beginning March 4, 2003 (Inception) through September 30, 2021

	Revenue Sharing	Preferred Stock		Common Stock		Additional	Deficit	
	Agreement	Shares	Amount	Shares	Amount	Contributed	Accumulated	Total
						Capital	During	
							Exploration	
							Period	
Balance at December 31, 2013	-	-	-	91,916,830	9,192	3,487,395	(3,264,759)	231,828
Revenue Sharing	\$ 105,000	-	-	-	-	-	-	105,000
Stock sales	-	-	-	700,000	70	6,930	-	7,000
Stock for services	-	-	-	13,500,000	1,350	113,400	-	114,750
Net Loss for the year ended	-	-	-	-	-	-	(134,759)	(134,759)
Balance at December 31, 2014	105,000	-	-	106,116,830	10,612	3,607,725	(3,399,518)	323,819
Revenue Sharing	20,000	-	-	-	-	-	-	20,000
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(75,588)	(75,588)
Balance at December 31, 2015	\$ 125,000	-	-	106,116,830	\$ 10,612	\$ 3,607,725	\$ (3,475,106)	\$ 268,231
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(15,848)	(15,848)
Balance at December 31, 2016	\$ 125,000	-	-	106,116,830	\$ 10,612	\$ 3,607,725	\$ (3,490,954)	\$ 252,383
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	24,000,000	2,400	57,600	-	60,000
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(42,654)	(42,654)
Balance at December 31, 2017	\$ 125,000	-	-	130,116,830	\$ 13,012	\$ 3,665,325	\$ (3,533,608)	\$ 269,729
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	24,570,000	2,457	58,968	-	61,425
Stock for services	-	-	-	76,000,000	7,600	459,200	-	466,800
Net loss for the year ended	-	-	-	-	-	-	(534,126)	(534,126)
Balance at December 31, 2018	\$ 125,000	-	-	230,686,830	\$ 23,069	\$ 4,183,493	\$ (4,067,737)	\$ 263,828
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	-	-	-	-	-
Stock for services	-	-	-	-	-	-	-	-
Net loss for the year ended	-	-	-	-	-	-	(32,436)	(32,436)
Balance at December 31, 2019	\$ 125,000	-	-	230,686,830	\$ 23,069	\$ 4,183,493	\$ (4,100,173)	\$ 231,389
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	8,000,000	800	199,200	-	200,000
Error in 2017 Stock issue	-	-	-	(1,000,000)	(100)	100	-	-
Stock for services	-	-	-	30,600,000	3,060	1,951,940	-	1,955,000
Net loss for the year ended	-	-	-	-	-	-	(940,278)	(940,278)
Balance at December 31, 2020	\$ 125,000	-	-	268,286,830	\$ 26,829	\$ 6,334,733	\$ (5,040,451)	\$ 1,446,111
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	-	-	-	20,582,858	2,058	708,292	-	710,350
Error in Prior Year Stock Issue	5,000	-	-	3,000,000	300	(300)	-	5,000
Stock for services	-	-	-	28,000,000	2,800	2,608,200	-	2,611,000
Net loss for the nine months ended	-	-	-	-	-	-	(1,889,931)	(1,889,931)
Balance at September 30, 2021	\$ 130,000	-	-	319,869,688	\$ 31,987	\$ 9,650,925	\$ (6,930,382)	\$ 2,882,530

See accountant's report and notes to financial statements

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS
September 30, 2021 and December 31, 2020

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

History

The company was formed in 1896 and incorporated in Idaho on June 10, 1910 as Sidney Mining Company. The purpose of the Company was to develop and mine mineral properties in Idaho State. In the past the Company mined and processed zinc ore and related minerals in the Yreka Mining District in Shoshone County, Idaho.

On March 4, 2003, the Company merged with its wholly-owned subsidiary Sidney Resources Corporation. The Company then changed its name to Sidney Resources Corporation.

In 2003, the company sold 6,852,500 shares common stock at \$.095 per share. The Company also issued 1,212,647 shares of Common stock for services and 500,000 shares for Lease acquisition costs. These shares were valued at \$.10 per share, reflecting the share sales during the year.

In 2004, the Company sold 785,000 shares common stock at \$.125 per share. It issued 400,000 shares of common stock for the exercise of warrants that were issued during 2004. The warrants were exercised at \$.25 per share. It also issued 93,750 shares of common stock for the purchase of equipment and 2,514,000 shares of Common stock for services. These shares were valued at \$.10 per share, reflecting the share sales during the year.

In 2005, the Company sold 8,550,000 shares common stock at \$.05 per share. It also issued 1,750,000 shares of Common stock for services. These shares were valued at \$.05 per share, reflecting their issue early in the year and share sales during the pervious year.

In 2006, the Company sold 1,420,220 shares common stock at \$.05 per share. It also issued 660,000 shares of Common stock for services. These shares were valued at \$.05 per share, reflecting the share sales during the year.

In 2007, the Company sold 2,353,216 shares common stock at \$.048 per share. It also issued 12,109,000 shares of Common stock for services. These shares were valued at \$.05 per share, reflecting the share sales during the year.

In 2008, the Company sold 2,010,800 shares common stock at \$.03 per share. It also issued 7,823,000 shares of Common stock for services and 275,000 shares for supplies. These shares were valued at \$.03 per share, reflecting the share sales during the year.

In 2009, the Company sold 2,710,000 shares common stock at \$.04 per share. It also issued 4,440,000 shares of Common stock for services. These shares were valued at \$.04 per share, reflecting the share sales during the year.

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS
September 30, 2021 and December 31, 2020

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES –
CONTINUED**

In 2010 as of December 31, the Company sold 2,862,500 shares common stock at \$.02 per share. It issued no shares of Common stock for services.

In 2011, the Company sold 14,995,197 shares common stock at Market value. It also issued 9,000,000 shares of Common stock for services. These shares were valued at \$.02 per share, reflecting the share sales during the period issued.

For the year ended December 31, 2012 there were no stock transactions for the Company.

In 2013, the Company sold 600,000 shares common stock at \$.01 per share. It issued no other stock.

For the year ended December 31, 2014, the Company sold 700,000 shares common stock at \$.01 per shares. It also issued 13,500,000 shares of Common stock for services valued at \$.0085 per share, reflecting the share price at the time of issue.

For the year ended December 31, 2015 the Company had no stock transactions.

For the year ended December 31, 2016 the Company had no stock transactions.

For the year ended December 31, 2017, the Company issued 24,000,000 shares of common stock at \$.0025.

For the year ended December 31, 2018 the Company issued 24,570,000 shares of common stock at \$.0025 and 76,000,000 shares of common stock for services valued at market.

For the year ended December 31, 2019 the Company had no stock transactions.

For the year ended December 31, 2020 the Company issued 8,000,000 shares of common stock and 30,600,000 shares of common stock for services and prepaid lease valued at market.

For the nine months ended September 30, 2021 the Company issued 20,582,858 shares of common stock and 28,000,000 shares of common stock for services, equipment and Mining Technology valued at market.

Financial Statement Presentation

The acquisition was treated as a reverse merger whereby the acquired company is treated as the acquiring company for accounting purposes.

An Exploration Stage Company

The Company is an Exploration Stage Company since it is engaged in the search for mineral deposits, which are not in the development or productions stage. As an exploration stage company, the Company will present, since inception, results on its statements of operations, stockholders' equity and cash flows.

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)

NOTES TO FINANCIAL STATEMENTS
September 30, 2021 and December 31, 2020

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all short-term debt securities purchased with a maturity of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are carried at cost. Maintenance, repairs and renewals are expensed as incurred. Depreciation of property and equipment is provided for over their estimated useful lives, which range from five, seven and ten years, using the straight-line method.

Lease Acquisition Costs

Lease acquisition cost of \$281,050 at September 30, 2021 and December 31, 2020, primarily includes costs incurred to build and improve the road on the leased land. Since mining has not commenced, no amortization expense has been recognized for the periods presented. Amortization will be recorded using the units-of-production method when mining begins.

Environmental Liabilities

The Company is subject to a variety of federal and state environmental regulations and agencies. The Company will only accrue liabilities for environmental claims and damages when it is probable, and the costs are estimable.

Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Concentration of Credit Risk

The Company places its cash in financial institutions which are insured by FDIC. At times, such cash may be in excess of the FDIC insurance limits.

NOTE 2 – INCOME TAXES

The Company Accounts for Income taxes under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases and operating losses, and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the results of the operations in the period that includes the enactment date. Deferred income tax expense (benefit) represents the change during the period in the deferred tax assets and deferred tax liabilities. The components of the deferred tax assets and liabilities are individually classified as current and noncurrent based on their characteristics. Deferred tax assets are reduced by a valuation allowance when it is more likely than not that some portion of the deferred tax assets will not be realized.

SIDNEY RESOURCES CORPORATION
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NOTES TO FINANCIAL STATEMENTS
September 30, 2021 and December 31, 2020

NOTE 2 – INCOME TAXES (Continued)

The Company evaluates and accounts for uncertain tax positions in accordance with Accounting Standards Codification (ASC) 740, Income Taxes. ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return as well as guidance on de-recognition, classification, interest and penalties and financial statement reporting disclosures. For these benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement.

The Company is subject to routine audits by taxing jurisdictions, however, there are currently no audits in progress. The Company remains subject to examinations by U.S. Federal and various state authorities for years ending after December 31, 2017.

The Company has no significant differences between book and tax accounting. At September 30, 2021 and December 31, 2020, the Company had an estimated tax loss carry-forward of approximately \$7,000,000 and \$5,000,000. Due to uncertainties as to future profitability, the value of the net operating loss carry forward is fully reserved and no valuation allowance has been booked.

NOTE 3 – MINERAL LEASE INTANGIBLE ASSETS

The Company has 5 year lease with an option to renew for an unlimited term as long as the Company is conducting underground mining work producing ore. The lease will expire at the end of the five year period starting the 3rd quarter of 2020, or if the Company fails to do major mining work by the end of December 31 in any year where mining work was not completed. The lease was paid with the issue of 20,000,000 shares of restricted stock. There will be a royalty payment that will be 6% of net smelter returns. The value of the stock is reflected in prepaid expenses. The lease guarantees Sidney Resources Corporation the exclusive rights and options to lease the Lucky Ben Mine Group Properties and mineral rights located within the Warren Mine District of Idaho. The lease will be amortized over 60 months. Amortization for the nine months ended September 30, 2021 was \$210,000 and for the year ended December 31, 2020 was \$140,000 and accumulated amortization was \$350,000 at September 30, 2021 and \$140,000 at December 31, 2020.

In the second quarter 2021 the company acquired certain mining technology from Red Beryl Mining Company for 7,000,000 shares of restricted stock valued at \$.15 per share. Amortization will begin when the technology is put into service.

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NOTES TO FINANCIAL STATEMENTS
September 30, 2021 and December 31, 2020

NOTE 4 – RELATED PARTIES

The officers and members of the Board of Directors have received stock and cash as compensation, amounts paid to date was as follows, includes past Directors and Officers:

	<u>Cash</u>	<u>Stock-Shares</u>	<u>Stock-Value</u>
Balance 1/1/2021	\$31,000	79,825,953	\$1,034,145
Officers & Directors			
Nine Mo. 2021	\$ 20,000	19,300,000	\$ 1,480,500
Total	\$51,000	99,125,953	\$2,514,645

NOTE 5 – REVENUE SHARING AGREEMENT

During the 4th quarter of 2014 the Company entered into agreements with investors whereby the investor will receive a share of the Company's profit. The investors were limited to \$5,000 investment and a maximum of 140 investors. In exchange for the cash injection the investors will receive .143% of the profits annually that are specific to the Lucky Ben Mine Project. The Company collected no money for the nine months ended September 30, 2021 and none during the year ended December 31, 2020. A deposit was moved to Revenue Sharing after determining the deposit was for the Revenue Sharing program. No amounts were paid under this agreement. for the 9 months ended September 30, 2021 or the year ended December 31, 2020.

NOTE 6 – STOCKHOLDERS' EQUITY

Revenue Sharing Agreement

See note 5 for information concerning this arrangement.

Common Stock

The Company is authorized at 500,000,000 shares of Common stock, with a par value of \$.0001 per share, authorized as of September 30, 2021 and as of December 31, 2020. An error was corrected increasing the shares issued by 3,000,000 shares during the nine months ended September 30, 2021. There were 319,869,688 outstanding at September 30, 2021 and 268,286,830 shares outstanding at December 31, 2020.

Preferred Stock

The Company is authorized at 10,000,000 shares of Preferred stock, with a par value of \$.0001 per share, authorized as of September 30, 2021 and December 31, 2020. There were 0 shares outstanding. The unissued shares of Preferred stock may be divided into and issued in designated series from time to time by one or more resolutions adopted by the Board of Directors.

Warrants and Options

In 2004, the Company as part of a Private Placement Offer issued 400,000 warrants with an exercisable price of \$0.25 per share. The warrants were exercised in 2004 for \$100,000. All other warrants issued in connection with this offering have expired. In September 2006, the Board of Directors eliminated the issuance of warrants and options by the Company.

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NOTE 7 – COMMITMENTS

Effective October 1, 2021 the company had entered into a yearly lease for company offices in Coeur d'Alene, Idaho. The lease is for \$3,595 per month, and 6 months were prepaid as of September 30, 2021. At December 31, 2020 the company had no commitments.

NOTE 8 - GOING CONCERN

The Company has not generated significant revenues or profits to date. This factor among others may indicate the Company will be unable to continue as a going concern. The Company's continuation as a going concern depends upon its ability to generate sufficient cash flow to conduct its operations and its ability to obtain additional sources of capital and financing. Management continues to look for additional capital through stock sales and/or minimum royalty payments on production, minimizing debt load to meet its working capital obligations in 2021 and beyond. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 9 – COMPENSATED ABSENCES AND PROPERTY TAX ACCRUALS

The Company does not compensate for absences and does not have significant personal or real estate property taxes to accrue.

NOTE 10 – STOCK-BASED COMPENSATION

At various times during the life of the company it has issued stock for services, supplies and other costs. The company recorded an expense as of average trading value of the stock at the time of issue and an increase in the value of stock. The stock is restricted for one year but has no vesting requirements. For the nine months ended September 30, 2021 the company issued 20,800,000 shares for services at market value and 7,000,000 shares for mining technology at \$.15 per share and \$200,000 for equipment at \$.06 per share. For the year ended December 31, 2020 the company issued 20,000,000 shares of stock for lease acquisition and 10,600,000 shares for services at market rate.

Since inception the Company has issued 160,408,647 shares valued at \$4,428,955 for services, 20,500,000 shares valued at \$1,450,000 for lease acquisition, 293,750 valued at \$21,375 for equipment which was capitalized, 275,000 valued at \$8,250 for supplies and 7,000,000 shares valued at \$1,050,000 for mining technology.

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NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through November 12, 2021, the date on which the financial statements were issued.

The company will launch its Mining Technology Research and Development Division. The new division will actively engineer and design inaugural “thermal fracturing” prototype units for the mining industry and adjunct applications in the areas of construction and rescue where safe and efficient removal of material is required. Negotiations were completed for leasing a new office location for the Mining Technology Development Division. The team for the Mining and Technology division will move into the new office space located at 505 E Front Avenue, Suite 202 in Coeur D’ Alene, Idaho.

The company completed an agreement with Merger Mines Corporation for all patent rights to what was previously known as the Merger Miner Technology. This agreement includes Merger Mines Corporation turning over all documents and information regarding this technology to Sidney Resources Corporation. Merger Mines will also release their patent attorney and allow this attorney to work with Sidney Resources Corporation. As part of the agreement, the company also acquired hundreds historical maps of mining claims in Idaho, Washington, Oregon and Montana as well as geological reports on hundreds of mining properties.

The company completed and submitted the application for new road construction to the Lucky Ben Project site. This will greatly improve access as the need for additional equipment increases. The new access road will also allow for Groundhog Mining and Milling to move a temporary portable ore mill and processing plant on location when we determine it is economically feasible. The permit was submitted to the McCall Ranger District on the Payette National Forest. The permit is requesting permanent deeded access via the new road.

The board continues to plan operations and determine budget needs for all operations for the Fiscal Year 2022. The company continues to work with Groundhog Mining & Milling to develop operational plans for continued exploration and eventual production of the Lucky Ben Project site.