



Sidney Resources Corporation (An Exploration Stage Company)

Compiled Financial Statements

For the Periods Ended December 31, 2022 and December 31, 2021

Table of Contents

Independent Accountants' Compilation Report	1
Balance Sheets	2-3
Statements of Income	4
Statements Cash Flows	5
Statement of Shareholders' Equity	6-7
Notes to Financial Statements	8-17



Independent Accountants' Compilation Report

To the Board of Directors
Sidney Resources Corporation
Lewiston, Idaho

Management is responsible for the accompanying financial statements of Sidney Resources Corporation (An Exploration Stage Company) which comprise the balance sheets as of December 31, 2022 and December 31, 2021 and the related statements of income for the three months and year ended December 31, 2022 and December 31, 2021 and for the period beginning March 4, 2003 (inception) through December 31, 2022, and the related notes to the financial statements in accordance with accounting principles generally accepted in the United States of America. We have performed compilation engagements in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements, nor were we required to perform any procedures to verify the accuracy or the completeness of the information provided by management. We do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

CDA-CPA GROUP, PLLP

Coeur d'Alene, ID

February 13, 2023

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)
BALANCE SHEETS
DECEMBER 31, 2022 AND DECEMBER 31 2021

	<u>12/31/22</u>	<u>12/31/21</u>
Assets		
Current Assets:		
Cash	\$ 80,953	\$ 401,061
Prepaid insurance	-	2,314
Prepaid lease	<u>-</u>	<u>11,985</u>
Total Current Assets	80,953	415,360
Property and equipment, at cost:		
Fixed assets	21,373	20,215
Vehicles	<u>11,000</u>	<u>11,000</u>
	32,373	31,215
Less accumulated depreciation	<u>(3,872)</u>	<u>(1,132)</u>
Net property and equipment	28,501	30,083
Other Assets:		
Prepaid mine lease - net of amortization	736,075	980,000
Intangible assets - net of amortization	1,215,000	1,050,000
Security deposit	3,995	3,995
Construction in progress	19,310	9,810
Lease acquisition costs	<u>281,050</u>	<u>281,050</u>
	<u>2,255,430</u>	<u>2,324,855</u>
Total Assets	<u>\$ 2,364,884</u>	<u>\$ 2,770,298</u>

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)
BALANCE SHEETS
DECEMBER 31, 2022 AND DECEMBER 31 2021

	<u>12/31/22</u>	<u>12/31/21</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	\$ 56,300	\$ 60,800
Credit cards due	30,656	13,515
Deposits	165,500	37,500
Accrued payroll	<u>19,155</u>	<u>-</u>
Total current liabilities	271,611	111,815
Stockholders' equity:		
Revenue sharing agreement	-	125,000
Warrants - 1,363,012 .0001 per warrant	136	-
Preferred stock - .0001 par value, authorized 10,000,000 shares, none issued	-	-
Common stock - .0001 par value, 500,000,000 shares authorized, 309,177,293 and 319,919,688 shares issued and outstanding, respectively	30,665	31,992
Paid in capital	9,388,207	9,655,919
Deficit adccumulated during the exploration period	<u>(7,325,735)</u>	<u>(7,154,428)</u>
Total stockholders' equity	<u>2,093,273</u>	<u>2,658,483</u>
Total liabilities and stockholders' equity	<u><u>\$ 2,364,884</u></u>	<u><u>\$ 2,770,298</u></u>

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)
STATEMENTS OF INCOME
FOR THE THREE MONTHS AND THE YEAR ENDED DECEMBER 31, 2022 AND 2021
AND FOR THE PERIOD BEGINNING 3/4/2003 (INCEPTION) THROUGH DECEMBER 31, 2022

	Three Months Ended		Year Ended		Since
	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>12/31/2022</u>	<u>12/31/2021</u>	<u>Inception</u>
GROSS REVENUE	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENSES					
Advertising	\$ 9,393	\$ -	\$ 13,936	\$ 1,295	\$ -
Bank charges	184	-	265	-	-
Computer and internet	168	2,691	2,397	4,399	-
Education	-	-	200	-	-
Exploration costs	162,621	52,077	591,176	142,825	960,430
Amortization land lease	70,000	70,000	280,000	280,000	760,000
Fuel and equipment rent	-	4,186	-	4,186	-
Depreciation	685	685	2,740	1,132	48,750
Licenses and fees	350	-	2,185	-	-
Interest and finance charges	676	-	1,405	134	-
Insurance	-	1,155	8,779	4,147	-
Janitorial	365	-	1,745	-	-
Legal and accounting	4,275	4,230	23,438	10,165	-
Dues and subscriptions	1,859	73	2,635	73	-
Printing and postage	650	293	1,675	945	-
Office expenses	-	278	645	313	-
Officer wages	40,000	-	155,000	-	155,000
Rent	4,075	11,985	16,060	13,607	-
Professional fees	25,815	1,108	134,499	5,569	-
Repairs	-	2,229	-	5,418	-
Research and development	8,828	-	122,632	-	154,231
Storage	-	-	-	-	-
Supplies	4,908	3,911	13,028	10,067	-
Meals and entertainment	-	-	1,433	16,210	-
Taxes	-	-	195	22	-
Taxes - payroll	4,364	-	14,836	-	-
Telephone	280	811	1,548	1,370	-
Transfer fees	-	-	-	-	-
Travel	2,599	2,431	18,068	5,621	-
Utilities	968	-	3,629	-	-
Wages	23,012	-	103,248	-	-
Administrative costs	-	-	-	-	7,537,169
Consulting	14,934	65,900	118,152	1,619,900	-
Miscellaneous	93	-	16,258	-	-
Total expenses	<u>381,102</u>	<u>224,043</u>	<u>1,651,807</u>	<u>2,127,398</u>	<u>9,615,580</u>
Net loss before other income (expenses)	(381,102)	(224,043)	(1,651,807)	(2,127,398)	(9,615,580)
OTHER INCOME (EXPENSES)					
Relief of debt	-	-	-	13,420	808,589
Gain (loss) on sale of assets	-	-	-	-	756
Cancelled stock for service	-	-	1,480,500	-	1,480,500
NET (LOSS) INCOME	<u>\$ (381,102)</u>	<u>\$ (224,043)</u>	<u>\$ (171,307)</u>	<u>\$ (2,113,978)</u>	<u>\$ (7,325,735)</u>

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION
(An Exploration Stage Company)
STATEMENTS OF CASH FLOWS
FOR THE PERIODS ENDED DECEMBER 31, 2022 AND 2021
AND FOR THE PERIOD BEGINNING 3/4/2003 (INCEPTION) THROUGH DECEMBER 31, 2022

	Year 12/31/2022	Year 12/31/2021	Since Inception
Cash flows from operating activities			
Net Income (Loss)	\$ (171,307)	\$ (2,113,978)	\$ (7,325,735)
Adjustments to reconcile net income to net cash provided by operating activities			
Stock exchange from revenue sharing agreement	(135,000)	-	(135,000)
Stock for services	283,421	-	283,421
Stock for services cancelled	(1,480,500)	-	(1,480,500)
Stock errors in prior periods	(2,000)	-	(2,000)
Depreciation and amortization	246,665	281,132	718,675
Increase (decrease) in accounts payable	(4,500)	(10,130)	3,336
Increase (decrease) in accrued liabilities	36,296	11,809	49,812
(Increase) decrease in prepaid expenses	14,299	(18,294)	(9,995)
Increase (decrease) in deposits	128,000	(48,100)	165,500
Total Adjustments	(913,319)	216,417	(406,751)
Net cash provided (used) by operating activities	(1,084,626)	(1,897,561)	(7,732,486)
Cash flow from investing activities			
Purchase of Intangible Assets	(165,000)	(1,050,000)	(2,896,050)
Gross proceeds on sale of equipment	-	-	30,683
Cash payments for the purchase of property	(1,158)	(41,025)	(64,781)
Cash payments for building in progress	(9,500)	-	(9,500)
Net cash provided (used) by investing activities	(175,658)	(1,091,025)	(2,939,648)
Cash flow from financing activities			
Proceeds from issuance of common stock	940,040	3,326,349	10,627,951
Proceeds from issuance of warrants	136	-	136
Proceeds from revenue sharing agreement	-	-	125,000
Net cash provided (used) by financing activities	940,176	3,326,349	10,753,087
Net increase (decrease) in cash and equivalents	(320,108)	337,763	80,953
Cash and equivalents, beginning of year	401,061	63,298	-
Cash and equivalents, end period	<u>\$ 80,953</u>	<u>\$ 401,061</u>	<u>\$ 80,953</u>

See independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION

(An Exploration Stage Company)

STATEMENT OF SHAREHOLDERS' EQUITY

For the Period Beginning March 4, 2003 (Inception) through December 31, 2022

	Revenue Sharing Agreement	Warrants	Preferred Stock	Common Stock Shares	Common Stock Amount	Additional Contributed Capital	Deficit Accumulated During Exploration Period	Total
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 independent accountants' compilation report and notes to the financial statements.

SIDNEY RESOURCES CORPORATION

(An Exploration Stage Company)

STATEMENT OF SHAREHOLDERS' EQUITY (Continued)

For the Period Beginning March 4, 2003 (Inception) through December 31, 2022

	Revenue Sharing Agreement	Warrants Shares	Preferred Stock	Common Stock Shares	Common Stock Amount	Additional Contributed Capital	Deficit Accumulated During Exploration Period	Total
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	-	61,425.00
Stock for services	-	-	-	76,000,000	7,600	459,200	-	466,800.00
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	(5,000)	-	-	20,632,858	2,063	713,286	-	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 year ended	-	-	-	-	-	-	(2,113,977)	(2,113,978)
Balance at December 31, 2021	\$ 125,000	-	-	319,919,688	\$ 31,992	\$ 9,655,919	\$ (7,154,428)	\$ 2,658,483
Revenue Sharing	-	-	-	-	-	-	-	-
Stock sales	(135,000)	136	-	6,655,173	428	939,612	-	805,176
Error in Prior Year Stock Issue	-	-	-	(40,500)	(4)	4	-	-
Stock errors in prior periods	10,000	-	-	-	-	(12,000)	-	(2,000)
Stock for services	-	-	-	1,942,932	179	283,242	-	283,421
Stock for services cancelled	-	-	-	(19,300,000)	(1,930)	(1,478,570)	-	(1,480,500)
Net loss for the year ended	-	-	-	-	-	-	(171,307)	(171,307)
Balance at December 31, 2022	\$ -	\$ 136	-	309,177,293	\$ 30,665	\$ 9,388,207	\$ (7,325,735)	\$ 2,093,273

See independent accountants' compilation report and notes to the financial statements.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

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 previous 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.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

For the year ended December 31, 2021 the Company issued 23,632,858 shares of common stock and 28,000,000 shares of common stock for services, equipment and Mining Technology valued at market.

For the year ended December 31, 2022 the Company Issued 6,655,173 shares of common stock and 750,000 shares of common stock for Patents and mine records valued at market and 1,192,932 of common stock for services and cancelled 19,300,000 shares of common stock.

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.

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 December 31, 2022 and December 31, 2021, 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.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Research and Development Costs Charged to Expense as Incurred

Expenditures for research activities relating to development and improvement are charged to expense as incurred. Such expenditures amounted to \$68,618 in the three months ended December 31, 2022 and \$389,911 in the year ended December 31, 2022.

Revenue Recognition

In May 2014, the FASB issued ASU No. 2014-09, "Revenue from Contracts with Customers (Topic 606)" (ASU 2014-09) as modified by ASU No. 2015-14, "Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date," ASU 2016-08, "Revenue from Contracts with Customers (Topic 606): Principal versus Agent Considerations (Reporting Revenue Gross versus Net)," ASU No. 2016-10, "Revenue from Contracts with Customers (Topic 606): Identifying Performance Obligations and Licensing," and ASU No. 2016-12, "Revenue from Contracts with Customers (Topic 606): Narrow-Scope Improvements and Practical Expedients." The revenue recognition principle in ASU 2014-09 is that an entity should recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

In addition, new and enhanced disclosures will be required. Companies may adopt the new standard either using the full retrospective approach, a modified retrospective approach with practical expedients, or a cumulative effect upon adoption approach. The Company adopted ASU 2014-09 on January 1, 2018, using the modified retrospective approach. Because the Company doesn't have any customer contracts as of January 1, 2018, the adoption of ASU 2014-09 did not have a material impact on the Company's financial position, results of operations, equity or cash flows.

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.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

NOTE 2 – INCOME TAXES (Continued)

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.

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, 2019.

The Company has no significant differences between book and tax accounting. At December 31, 2022 and December 30, 2021, the Company had an estimated tax loss carry-forward of approximately \$7,600,000 and \$7,000,000. 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 a 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.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

NOTE 3 – MINERAL LEASE INTANGIBLE ASSETS

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 year ended December 31, 2022 was \$280,000 and for the year ended December 31, 2021 was \$280,000 and accumulated amortization was \$700,000 at December 31, 2022 and \$420,000 at December 31, 2021.

In the second quarter 2021 the company acquired certain mining technology from Gary Mladjan Company for 7,000,000 shares of restricted stock valued at \$.15 per share. Amortization will begin when the technology is put into service. In the first quarter 2022 the Company acquired patents and mine records from Merger Mines for 750,000 shares of stock valued at \$.22 per share. Amortization will begin when put into use.

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	1/1/2022	\$ 81,000	99,125,953	\$ 2,514,645
	Additions	70,000	-	-
	Cancelled	-	(19,300,000)	(1,480,500)
Balance	12/31/2022	<u>\$ 151,000</u>	<u>79,825,953</u>	<u>\$ 1,034,145</u>

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 year ended December 31, 2022 and none during the year ended December 31, 2021. In 2021 A deposit was moved to Revenue Sharing after determining the deposit was for the Revenue Sharing program, and a revenue sharing agreement for \$5,000 was converted into 50,000 shares of common stock. For the year ended December 31, 2022 revenue sharing amounts of \$115,000 was converted into 1,150,000 shares of common stock.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

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 December 31, 2022 and as of December 31, 2021. An error was corrected decreasing the shares issued by 40,500 for the period ended March 31, 2022 and an error increasing the shares issued by 3,000,000 shares during the year ended December 31, 2021.

During the second period ended June 30, 2022 19,300,000 shares of stock for services was cancelled valued at \$1,480,500 and recorded as increase in other income along with decreases in capital stock and paid in capital of \$1,930 and \$1,478,570 respectively.

There were 309,177,293 shares outstanding as of December 31, 2022 and 319,919,688 outstanding at December 31, 2021.

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 December 31, 2022 and December 31, 2021. 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. In the six months 2022 the Board of Directors issued warrants as part of stock purchases in the amount of 1,363,012 for a value of .0001 per warrant. The warrants were issued one for every two shares purchased in the first quarter.

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 3 months were prepaid as of December 31, 2021. At December 31, 2022 there was no prepaid lease.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

NOTE 8 – 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 9 - 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 2022 and beyond. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty.

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 year ended December 31, 2022 the company issued 750,000 shares of stock at \$.22 per share for patents and mining records, 1,192,932 shares for service. For the year ended December 31, 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.

During the second quarter of 2022 19,300,000 shares issued to officers & directors was cancelled.

Since inception the Company has issued 142,301,579 shares valued at \$3,006,876 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, 7,000,000 shares valued at \$1,050,000 for mining technology, and 750,000 shares valued at \$165,000 for patents and mining records.

NOTE 11 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through February 13, 2023, the date on which the financial statements were issued.

Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021

NOTE 11 – SUBSEQUENT EVENTS (Continued)

Board Expansion Announced

On September 23, 2022, Cameron Curriden joined the Board of Directors. Mr. Curriden is a highly successful, Investor, Entrepreneur, Web 3 Enthusiast and Family Man. He is the Principal and CEO of CJC Esteemed Partners. Cameron had his beginnings in marketing and business development and in the early 2010's ventured into real estate investing, building a company from scratch to multimillion dollar valuation in 18 months. In the last 5 years, Cameron has been actively involved in over \$6.5 Billion in transactions. During that time, Cameron has founded and exited 3 companies and also has invested in and has sat on the advisory boards for multiple startup companies in the tech, entertainment and digital securities space. In 2020, he was nominated for the Top 100 people in Finance and in 2021 was listed as the top 40 under 40 Professionals in the US. Cameron is also very active in several charitable foundations involved in building homes for women coming off the streets in Houston and providing jobs and education as well as Microfinance in one of the poorest countries in the world, Burundi, Africa.

On September 28, 2022, Dr. Ryan Norman joined the Board of Directors. Dr. Norman is a scientist with 21 years of research experience. Dr. Norman received his Ph.D. in physics from Worcester Polytechnic Institute in 2008. His dissertation focused on the nuclear and particle physics of space radiation. He was a recipient of the NASA Graduate Student Research Program Fellowship from 2005-2008. After graduation, Dr. Norman was a postdoctoral scholar in the Nuclear Engineering department at the University of Tennessee, then was a postdoctoral scholar with the NASA Postdoctoral Program at Langley Research Center. Dr. Norman has served as a research professor of nuclear engineering and an adjunct professor of physics. He also has extensive project management experience, having managed multiple projects, including a \$4 Million per year research project with 14 investigators. Dr. Norman has co-authored over 60 research articles, presented at numerous international conferences, and is the recipient of multiple awards including the 2021 NASA Early Career Achievement Medal for "exceptional achievement in developing understanding of the radiation environment affecting aircraft and spacecraft". Dr. Norman is the co-founder of Coastal Virginia Gaelic Athletic Association, a 501c3 nonprofit, and served as the chairman for the 4 years and a board member for an additional 2 years before stepping down in 2018.

**Sidney Resources Corporation
(An Exploration Stage Company)
Notes to Financial Statements
December 31, 2022 and December 31, 2021**

NOTE 11 – SUBSEQUENT EVENTS (Continued)

Technology Division

We received the specialized optics from Raytheon ELCAN in December. Arrangements have been finalized with the Institute of Materials Research located at Washington State University for the mounting of optics manufactured by Raytheon ELCAN to the substrates of the optical bench. The optical bench is the critical component of the aiming system for the 4kw fiber laser. This mounting of the optics is a critical step in preparing for testing the laser unit at Colorado School of Mines.

Lucky Ben

Progress was made on rehabilitation efforts on the main tunnel. The new storage and shop building is near completion and will be finished early next spring. The engineers with our contractor, Groundhog Mining & Milling Company, have advised us the goal of production within the next two seasons is achievable based upon the current progress at the Lucky Ben and the results of past and current geological sampling results. The mill permitting process for a mill and processing facility to be located at Lucky Ben. Site security was improved to the area and work to develop a solar power Wi-Fi network is underway.

Talks with the Idaho Department of Commerce confirmed information that identifies the Lucky Ben Project and the Warren, Idaho area are within a federally designated opportunity investment zone. Management is continuing to develop information and identify what opportunities this will provide the company and our investors.