

HILO MINING LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED AUGUST 31, 2021

(Unaudited - Expressed in Canadian dollars)

HILO MINING LTD.
Condensed Interim Statements of Financial Position
(Expressed in Canadian dollars)

As at	August 31, 2021 (Unaudited)	May 31, 2021 (Audited)
	\$	\$
ASSETS		
CURRENT		
Cash	1	1
Amounts receivable	640	-
TOTAL ASSETS	641	1
LIABILITIES		
CURRENT		
Accounts payable (Note 7)	13,445	-
	13,445	-
SHAREHOLDERS' DEFICIENCY		
Share capital (Note 6)	1	1
Deficit	(12,805)	-
	(12,804)	1
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIENCY	641	1

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on October 21, 2021:

"Christos Doulis" Director

"Jeremy Poirier" Director

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

HILO MINING CORP.
Condensed Interim Statement of Comprehensive Loss
For the three months ended August 31, 2021
(Unaudited - Expressed in Canadian dollars)

	2021
	\$
EXPENSES	
Management fee (Note 7)	7,805
Professional fee	5,000
NET LOSS AND COMPREHENSIVE LOSS	12,805

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

HILO MINING LTD.
Condensed Interim Statements of Changes in Shareholders' Deficiency
For the three months ended August 31, 2021
(Unaudited - Expressed in Canadian dollars)

	Common Shares		Contributed Surplus	Deficit	Total
	Number of Shares	Amount			
		\$	\$	\$	\$
Balance, February 2, 2021	-	-	-	-	-
Shares issued on incorporation	1	1	-	-	1
Net loss for the period	-	-	-	-	-
Balance, May 31, 2021	1	1	-	-	1
Net loss for the period	-	-	-	(12,805)	(12,805)
Balance, August 31, 2021	1	1	-	(12,805)	(12,804)

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

HILO MINING LTD.
Condensed Interim Statement of Cash Flows
For the three months ended August 31, 2021
(Unaudited - Expressed in Canadian dollars)

	2021
Cash provided by (used in):	\$
OPERATING ACTIVITIES	
Net loss for the period	(12,805)
Net changes in non-cash working capital items:	
Amounts receivable	(640)
Accounts payable	13,445
Net cash used in operating activities	-
Change in cash	-
Cash, beginning of period	1
Cash, end of period	1

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

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements

For the three months ended August 31, 2021

(Unaudited - Expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Hilo Mining Ltd. (the "Company") was incorporated on February 2, 2021 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 503-905 Pender Street, Vancouver, British Columbia, Canada, V6C 1L6.

The Company's principal business activities include the acquisition and exploration of mineral property assets. On April 22, 2021, the Company entered into an Arrangement Agreement (the "Arrangement") with Golden Independence Mining Corp. ("Golden") whereby the Company will issue 1,499,999 common shares to Golden in exchange for Golden's mining claim representing the Champ exploration property. Under the Arrangement, Golden will distribute 1,000,000 of the common shares to its shareholders and Golden will hold 500,000 common shares of the Company. As at August 31, 2021, the transaction is not complete.

The Company's financial statements have been prepared on the basis of accounting principles applicable to a going concern, which presumes that the Company will realize its assets and discharge its liabilities in the normal course of business for at least the next twelve months. Management recognizes that the Company will need to obtain additional financial resources in order to meet its planned business objectives. There are no assurances that the Company will be able to obtain additional financial resources and/or achieve positive cash flows or profitability. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The Company's ability to continue as a going concern and to realize the carrying value of its assets and discharge its liabilities when due is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

2. BASIS OF PRESENTATION

a) Statement of compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the Company's audited financial statements for the period from Incorporation on February 2, 2021 to May 31, 2021, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board.

These condensed interim financial statements were authorized for issue in accordance with a resolution from the Board of Directors on October 21, 2021.

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended August 31, 2021
(Unaudited - Expressed in Canadian dollars)

2. BASIS OF PRESENTATION (continued)

b) Basis of presentation

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

The accounting policies set out below have been applied consistently to all years presented in these condensed interim financial statements.

c) Significant accounting estimates and judgements

The preparation of these condensed interim financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These condensed interim financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the condensed interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Significant accounting judgements

- i. the determination of categories of financial assets and financial liabilities; and
- ii. the evaluation of the Company's ability to continue as a going concern.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared on the basis of accounting policies and methods of computation consistent with those applied in the Company's audited financial statements for the period from incorporation on February 2, 2021 to May 31, 2021.

4. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of resource properties. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements
For the three months ended August 31, 2021
(Unaudited - Expressed in Canadian dollars)

5. FINANCIAL INSTRUMENTS AND FINANCIAL RISK*Fair value*

As at August 31, 2021, the Company's financial instruments consist of cash and accounts payable.

IFRS 13 *Fair Value Measurement* establishes a fair value hierarchy based on the level of independent, objective evidence surrounding the inputs used to measure fair value. A financial instrument's categorization within the fair value hierarchy is based upon the lowest level of input that is significant to the fair value measurement. IFRS 13 prioritizes the inputs into three levels that may be used to measure fair value:

- Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical unrestricted assets or liabilities.
- Level 2 – Inputs that are observable, either directly or indirectly, but do not qualify as Level 1 inputs (i.e., quoted prices for similar assets or liabilities).
- Level 3 – Prices or valuation techniques that are not based on observable market data and require inputs that are both significant to the fair value measurement and unobservable.

The fair value of cash is based on level 1 inputs. There are no level 2 or level 3 financial instruments.

Assets and liabilities measured at fair value on a recurring basis were presented on the Company's statement of position as follows:

	Fair Value Measurements Using			August 31, 2021
	Level 1	Level 2	Level 3	
Cash	\$ 1	–	–	\$ 1
Accounts payable	13,446	–	–	13,446
	\$ 13,447	–	–	\$ 13,447

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The financial instrument that potentially subjects the Company to concentrations of credit risk consists principally of cash. To minimize the credit risk, the Company places its cash with high quality financial institutions.

Liquidity risk

The Company manages liquidity risk through the management of its capital structure, as outlined in Note 4. The Company monitors its ability to meet its short-term exploration and administrative expenditure requirements by raising additional funds through share issuances when required.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate due to changes in foreign exchange rates. The Company is not exposed to significant foreign exchange risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is not exposed to significant interest rate risk.

HILO MINING LTD.

Notes to the Condensed Interim Financial Statements

For the three months ended August 31, 2021

(Unaudited - Expressed in Canadian dollars)

6. SHARE CAPITAL

Authorized:

The Company's authorized capital consists of an unlimited number of common shares without par value.

Issued and Outstanding:

As at August 31, 2021 and May 31, 2021, there was one issued and outstanding common share.

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

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. During the three months ended August 31, 2021, the Company incurred key management compensation of \$7,805 related to management fees. At August 31, 2021, \$7,805 related to management fees remained in accounts payable alongside \$5,000 due to a related party. The amounts payable are non-interest bearing, unsecured, due on demand and have no fixed terms of repayment.