
Europacific Metals Inc. (formerly Goldplay Mining Inc.)
Condensed Consolidated Interim Financial Statements
For the three and six months ended June 30, 2023 and 2022
(Expressed in Canadian dollars)

Notice of No Auditor Review

These unaudited condensed consolidated interim financial statements have not been reviewed by the auditors of the Company. This notice is being provided in accordance with Section 4.3 (3) (a) of National Instrument 51-102 - Continuous Disclosure Obligations.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The accompanying condensed consolidated interim financial statements of Europacific Metals Inc. are the responsibility of the Company's management and are prepared in accordance with International Financial Reporting Standards and reflect management's best estimates and judgment based on information currently available.

Management has developed and maintains a system of internal controls to ensure that the Company's assets are safeguarded, transactions are authorized and properly recorded, and financial information is reliable.

The Board of Directors is responsible for ensuring management fulfills its responsibilities for financial reporting and internal controls through an audit committee, which is comprised primarily of non-management directors. The Audit Committee reviews the financial statements prior to their submission to the Board of Directors for approval.

"Chris Osterman"

Chris Osterman
Chief Executive Officer

"Mihai Draguleasa"

Mihai Draguleasa
Chief Financial Officer

Vancouver, British Columbia
August 28, 2023

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Condensed Consolidated Interim Statement of Loss and Comprehensive Loss

(Unaudited - expressed in Canadian Dollars)

	For the three months period ended		For the three months period ended		For the six months period ended		For the six months period ended	
	June 30, 2023		June 30, 2022		June 30, 2023		June 30, 2022	
EXPENSES								
Accounting and corporate secretarial fees (Note 5)	\$	13,750	\$	16,500	\$	30,250	\$	33,000
Audit and tax fees		11,100		7,825		29,300		14,825
Consulting and due diligence		28,119		62,500		50,117		82,500
Corporate development		59,818		-		122,825		-
Depreciation (Note 9)		368		-		737		-
Legal fees		1,682		10,451		3,132		10,451
Management (Note 5)		16,365		27,582		42,891		53,334
Marketing		-		41,504		713		75,501
Share based compensation (Notes 4, 5)		-		-		-		85,788
Shareholder communications and investor relations		4,634		19,515		11,860		36,590
Office and administration expenses		7,382		11,949		12,974		42,255
Exploration and evaluation (Note 6)		26,569		90,393		68,850		126,962
Regulatory, exchange listing and transfer agent fees		12,094		11,480		21,933		26,701
TOTAL EXPENSES		181,881		299,699		395,582		587,907
OTHER ITEMS								
Recovery of flow-through liability (Note 7)		-		(5,480)		-		(7,297)
Management fee income (Note 8)		(255)		(1,296)		(1,068)		(4,059)
Interest income		(3,863)		(4,181)		(11,716)		(6,004)
Share of associates loss (Note 8)		142		12,747		231		40,972
TOTAL OTHER ITEMS		(3,976)		1,790		(12,553)		23,612
Net and comprehensive loss for the period	\$	177,905	\$	301,489	\$	383,029	\$	611,519
Loss is attributable to:								
Owners of Europacific	\$	167,672	\$	289,768	\$	354,109	\$	593,066
Non Controlling Interest		10,233		11,721		28,920		18,453
Basic and diluted loss per share attributable to owners of Europacific	\$	0.00	\$	(0.01)	\$	(0.01)	\$	(0.01)
Weighted average number of shares outstanding		51,967,163		51,856,052		51,967,163		51,411,607

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

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Condensed Consolidated Interim Statement of Changes in Equity

(Unaudited - expressed in Canadian Dollars)

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Subscriptions receipts	Non Controlling Interest	Shareholders' Equity
Balance at December 31, 2021	50,967,163	\$ 4,651,660	\$ 378,281	\$ (1,916,487)	\$ -	\$ (18,621)	\$ 3,094,833
Private placements (Note 4)	-	-	-	-	150,000	-	150,000
Share based compensation (Notes 4, 5)	-	-	85,788	-	-	-	85,788
Net and comprehensive loss for the period	-	-	-	(593,066)	-	-	(593,066)
Non controlling interest	-	-	-	-	-	(18,453)	(18,453)
				-	-		
Balance at June 30, 2022	50,967,163	\$ 4,651,660	\$ 464,069	\$ (2,509,553)		\$ (37,074)	\$ 2,719,102
Balance at December 31, 2022	51,967,163	\$ 4,801,660	\$ 570,955	\$ (3,643,618)	\$ -	\$ (73,564)	\$ 1,655,433
Net and comprehensive loss for the period	-	-	-	(354,109)	-	-	(354,109)
Non controlling interest	-	-	-	-	-	(28,920)	(28,920)
Balance at June 30, 2023	51,967,163	\$ 4,801,660	\$ 570,955	\$ (3,997,727)	\$ -	\$ (102,484)	\$ 1,272,404

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

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Condensed Consolidated Interim Statement of Cash Flows

(Unaudited - expressed in Canadian Dollars)

	For the six months period ended June 30, 2023	For the six months period ended June 30, 2022
Cash provided by (used for):		
Operating activities		
Net and comprehensive loss for the period	\$ (383,029)	\$ (611,519)
Items not affecting cash		
Share based compensation	-	85,788
Recovery of flow through liability	-	(7,297)
Depreciation expense	737	-
Share of associates loss	231	40,972
Change in non-cash working capital:		
Amounts receivable	(12,534)	(15,446)
Advances and prepaid expenses	(32,676)	37,772
Accounts payable and accrued liabilities	9,250	(33,720)
	(418,021)	(503,450)
Investing activities		
Long term deposit (security) exploration property	58	(20,842)
Mineral property acquisitions	-	(22,003)
Investment in associates	(55,529)	(207,454)
	(55,471)	(250,299)
Financing activities		
Subscription receipts	-	150,000
	-	150,000
Change in cash during the period	(473,492)	(603,749)
Cash, beginning of the period	887,995	2,637,587
Cash, end of the period	\$ 414,503	\$ 2,033,838

SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOW

Non-cash transactions and other supplemental disclosures:

Interest paid	\$	-	\$	-
Income taxes paid	\$	-	\$	-

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

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

1. Nature of operations and going concern

Europacific Metals Inc. (formerly Goldplay Mining Inc.) (the “Company” or “Europacific”) was incorporated under the *Business Corporations Act* (British Columbia) on June 16, 2017, and its principal business activity is acquiring and exploring mineral properties. The Company’s registered place of business is located at 650 - 1021 West Hastings Street, Vancouver, British Columbia, V6E 0C3, Canada. The Company is in the startup stage of operations and does not yet have any revenue-generating activities. Europacific has one subsidiary, EVX Portugal, Unipessoal, Lda (“EVX Portugal”), a private Portuguese company. Europacific owns 70% of EVX Portugal. The Company is listed on the TSX Venture Exchange (the “TSXV”) under the symbol “EUP”. Europacific is also listed on the Frankfurt Stock Exchange under the symbol “9FY” and OTCQB Venture Market under the symbol “AUCCF”.

These condensed consolidated interim financial statements were prepared on a going concern basis with the assumption that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. The Company incurred significant operating losses since inception, including \$383,029 during the six months period ended June 30, 2023 (June 30, 2022 - \$ \$611,519), resulting in a deficit of \$3,997,727 at June 30, 2023. The Company will require additional financing to continue operations and pursue its projects. While the Company has been successful in obtaining funding in the past through the issuance of additional equity, there is no assurance that such funding will be available in the future. An inability to raise additional funds would adversely impact the future assessment of the Company as a going concern. 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 is dependent upon its ability to finance its operations and exploration programs through financing activities that may include issuances of additional debt or equity securities. The recoverability of the carrying value of accounts receivable and exploration and evaluation assets and, ultimately, the Company’s ability to continue as a going concern, is dependent upon the Company’s ability to raise financing to complete exploration on a mineral property, the outcome of which is uncertain. 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. Such adjustments could be material.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and the related adverse public health developments have adversely affected workforces, economies, and financial markets, leading to a global economic downturn. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID- 19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. To date COVID-19 has not had a material impact on the Company’s operations but may impact the Company’s ability to obtain additional financing to support exploration activities.

2. Summary of significant accounting policies

Basis of compliance

These unaudited condensed consolidated interim financial statements have been prepared in accordance International Accounting Standard (“IAS”) 34 Interim Financial Reporting, are in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”) and they are consistent with interpretations of the IFRS Interpretations Committee (“IFRIC”).

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

2. Summary of significant accounting policies (continued)

The accounting policies adopted in these unaudited condensed consolidated interim financial statements are based on IFRS in effect at June 30, 2023. The disclosures which follow do not include all disclosures required for the annual financial statements. These unaudited condensed interim consolidated financial statements should be read in conjunction with the audited financial statements and notes thereon for the period ended December 31, 2022 and December 31, 2021 and the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2022.

Basis of measurement

These unaudited condensed consolidated interim financial statements have been prepared on the historical cost basis. In addition, these unaudited condensed consolidated interim financial statements have been prepared using the accrual basis of accounting, except for the cash flow information.

Details of the group

In addition to the Company, the unaudited condensed consolidated interim financial statements include a subsidiary. Subsidiaries are corporations over which the Company is able, directly or indirectly, to control financial and operating policies, which is authority usually connected with holding majority voting rights. Subsidiaries are fully consolidated from the date on which control is acquired by the Company and are de-consolidated from the date that control by the Company ceases. Inter-company transactions and balances are eliminated upon consolidation.

As at June 30, 2023, the Company has one subsidiary:

Name	Place of Incorporation	Interest %	Principal Activity
EVX Portugal, Unipessoal, Lda	Portugal	70%	Exploration company

Significant accounting estimates and judgments

The preparation of these unaudited condensed consolidated interim financial statements require management to make estimates and judgments that affect the reported amounts of assets and liabilities at the date of the unaudited condensed interim financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates and judgments, which, by their nature, are uncertain. The impact of estimates and judgments is pervasive throughout the unaudited condensed interim financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates, or changes to judgments, are recognized in the period in which the estimate is revised and may affect both the period of revision and future periods.

New standards, amendments and interpretations

These condensed interim financial statements have been prepared following the same accounting policies as disclosed in Note 4 of the annual audited consolidated financial statements for the year ended December 31, 2022.

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

3. Risk management and financial instruments

Financial instruments are agreements between two parties that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company classifies its financial instruments as follows: cash is classified as FVTPL; accounts receivable (excluding taxes receivable) are classified as amortized cost; and accounts payable and accrued liabilities are classified as amortized cost. The carrying values of these instruments approximate their fair values due to their short term to maturity.

Capital management

The Company does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of share capital and loans or advances from its related parties. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern.

The Company defines its capital as shareholders' equity (deficiency). Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid. There were no changes to the Company's capital management approach during the period ended June 30, 2023.

Management of financial risk

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 - Inputs that are not based on observable market data.

The Company's financial instruments classified as level 1 in the fair value hierarchy are cash, accounts receivables, accounts payable and accrued liabilities and due from associate. The carrying values approximates fair value due to the short-term nature of these financial instruments. The types of risk exposure and the Company's methods of managing the risk remain consistent and are as follows:

The Company's risk exposure and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit losses are measured using a present value and probability-weighted model that considers all reasonable and supportable information available without undue cost or effort along with the information available concerning past defaults, current conditions and forecasts at the reporting date. IFRS 9 requires the recognition of 12 month expected credit losses (the portion of lifetime expected credit losses from default events that are expected within 12 months of the reporting date) if credit risk has not significantly increased since initial recognition (stage 1), and lifetime expected credit losses for financial instruments for which the credit risk has increased significantly since initial recognition (stage 2) or which are credit impaired (stage 3). There are no expected credit losses with respect to the Company's financial instruments held at amortized cost.

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

3. Risk management and financial Instruments (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk consists of interest rate risk, foreign currency risk and other price risk. As at June 30, 2023, the Company is not exposed to significant market risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they become due. The Company's approach to managing liquidity risk is to attempt to ensure that it will have sufficient cash or credit available to meet liabilities when due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities, and by maintaining its lending arrangement with a related party. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments.

All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of June 30, 2023.

Categories of financial assets and financial liabilities

The carrying values of the Company's financial instruments are classified into the following categories:

Financial instrument	Category		June 30 2023		December 31 2022
Cash and cash equivalents	FVPTL	\$	414,503	\$	887,995
Accounts payable and accrued liabilities	Amortized cost		120,889		111,639

The Company's cash and cash equivalents consist of cash held of \$ 39,503 (December 31, 2022 - \$137,995) and redeemable guaranteed investment certificates totaling \$375,000 (December 31, 2022 - \$750,000). The current annual interest rate earned on the guaranteed investment certificates is 4.20% (December 31, 2022 - 4.20%).

4. Share Capital

(a) Authorized

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

(b) Reconciliation of changes in share capital

On April 11, 2022, Europacific completed a private placement financing and issued 1,000,000 common shares for total proceeds of \$150,000 (\$0.15 per share). No compensation was paid in connection with this financing.

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

4. Share Capital (continued)

c) Stock Option Plan

On June 20, 2023, the Company implemented a new 10% rolling stock option plan. The total number of common shares of the Company reserved for issuance under the stock option plan cannot exceed 10% of the number of common shares of the Company that are issued and outstanding on each applicable date of grant for any stock option.

The Company uses the Black-Scholes option pricing model in order to calculate a value for share options issued to officers, directors and consultants. The Black-Scholes option pricing model requires the use of estimates and assumptions, including expected volatility rates. As the Company has a short trading history on stock exchange, the expected volatility is based on volatility percentages used historically by comparable listed companies. Changes in the underlying assumptions used in the Black-Scholes option pricing model could materially affect the fair value estimates.

Stock options transactions during the year ended December 31, 2022 and the six months ended June 30, 2023 were as follows:

	Number of options		Weighted average exercise price
Outstanding, December 31, 2021	3,670,000	\$	0.10
Issued	1,700,000	\$	0.13
Cancelled	(490,000)	\$	0.11
Outstanding, December 31, 2022 and June 30, 2023	4,880,000	\$	0.10

The following is a summary of stock options outstanding and exercisable at June 30, 2023:

Expiry date	Number of options		Exercise price
January 11, 2026	2,100,000	\$	0.05
March 1, 2026	290,000	\$	0.15
May 25, 2026	600,000	\$	0.18
August 6, 2026	190,000	\$	0.15
January 20, 2027	1,400,000	\$	0.15
July 4, 2027	300,000	\$	0.07
	4,880,000	\$	0.10

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

4. Share Capital (continued)

b) Stock Option Plan (continued)

The fair value of stock options awarded was estimated on the dates of award using the Black-Scholes option pricing model with the following assumptions:

	2022 Year End
Stock Price	from \$0.07 to \$0.15
Exercise Price	from \$0.07 to \$0.15
Expected Life in Years	5
Annualized Volatility	130.00%
Annual Rate of Quarterly Dividends	0.00%
Discount Rate - Bond Equivalent Yield	from 1.60% to 2.94%

The weighted average remaining contractual life for stock options outstanding at June 30, 2023 is 3 years (December 31, 2022 – 3.5 years).

d) Share purchase warrants

Warrant transactions during the year ended December 31, 2022 and the six month period ended June 30, 2023 are as follows:

	Number of warrants	Weighted average exercise price
Outstanding, December 31, 2021	9,699,917	\$ 0.17
Expired	(8,823,443)	\$ 0.19
Outstanding, December 31, 2022	876,474	\$ 0.17
Expired	(336,466)	\$ 0.16
Outstanding, June 30, 2023	540,008	\$ 0.17

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

Expiry date	Number of warrants	Exercise price
October 1, 2023	264,714	\$ 0.17
October 19, 2023	60,000	\$ 0.17
November 24, 2023	215,294	\$ 0.17
	540,008	\$ 0.17

The weighted average remaining contractual life for warrants outstanding at June 30, 2023 is 0.3 years (December 31, 2022 - 0.6 years).

No warrants were issued during year end December 31, 2022 and the six months period ended June 30, 2023.

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

5. Related party disclosures

Key management compensation

Key management personnel include the Chief Executive Officer, Chief Financial Officer, VP of Exploration, and directors of the Company. The remuneration of key management for the six months periods ended June 30, 2023 and 2022 was as follows:

	Period ended		Period ended	
	June		June 30	
	2023		2022	
Director remuneration ¹	\$	33,000	\$	-
Officer remuneration ¹	\$	167,054	\$	115,500
Share-based payments	\$	-	\$	59,745

¹Remuneration consists exclusively of salaries, bonuses, health benefits if applicable and consulting fees for key management personnel. Other than the amounts disclosed above, there were no short-term employee benefits granted to key management personnel during the six months ended June 30, 2023.

The following amounts were due to related parties:

	June 30, 2023		December 31, 2022	
Due to Officers		28,968		15,221
Due to Directors		3,150		-
Total due to related parties	\$	32,118	\$	15,221

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

6. Exploration and evaluation assets

The table below provides a breakdown of the mineral property assets of the Company as at June 30, 2023:

	Borba 2 (Portugal)	Scottie West (Canada)	Big Frank (Canada)	Goldstorm South (Canada)	Scottie Gold (Canada)	Total
Total at December 31, 2021	\$ 83,680	\$ 125,000	\$ 18,700	\$ 9,350	\$ -	\$ 236,730
Cash payments to stake additional claims	-	3,114	-	18,889	-	\$ 22,003
Exploration work to acquire interest	-	-	-	-	1,580,010	\$ 1,580,010
Disposition of interest	-	-	-	-	(1,580,010)	\$ (1,580,010)
Impairment off interest	-	(128,114)	(18,700)	(28,239)	-	\$ (175,053)
Total at December 31, 2022 and June 30, 2023	\$ 83,680	\$ -	\$ -	\$ -	\$ -	\$ 83,680

The following tables provide a breakdown of the exploration expenses of the Company for the six months ended June 30, 2023 and 2022:

June 30, 2023	Borba 2 (Portugal)	Barrancos (Portugal)	Scottie West (Canada)	Big Frank (Canada)	Goldstorm South (Canada)	Total
Concession	\$ 12,018	\$ -	\$ -	\$ -	\$ -	\$ 12,018
Geological consulting	20,862	20,862	-	-	-	\$ 41,724
Other	18,918	14,179	-	-	-	\$ 33,097
Overhead, management and administrative	17,052	17,154	-	-	-	\$ 34,206
Travel and accommodation	-	1,189	-	-	-	\$ 1,189
Recovery of recharged expenses	-	(53,384)	-	-	-	\$ (53,384)
Total for the six months ended June 30, 2023	\$ 68,850	\$ -	\$ -	\$ -	\$ -	\$ 68,850

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

6. Exploration and evaluation assets (continued)

Six months ended June 30, 2022	Borba 2 (Portugal)	Barrancos (Portugal)	Scottie West (Canada)	Big Frank (Canada)	Goldstorm South (Canada)	Total
Concession	\$ 9,380	\$ -	\$ -	\$ -	\$ -	\$ 9,380
Drilling	-	60,940	-	-	-	\$ 60,940
Geology	26,783	96,033	540	39,262	20,689	\$ 183,307
Other	-	7,845	-	-	-	\$ 7,845
Overhead, management and administrative	4,640	19,321	54	3,926	2,069	\$ 30,010
Travel and accommodation	19,619	19,101	-	-	-	\$ 38,720
Recovery of recharged expenses	-	(203,240)	-	-	-	\$ (203,240)
Total for the six months ended June 30, 2022	\$ 60,422	\$ -	\$ 594	\$ 43,188	\$ 22,758	\$ 126,962

EVX Portugal

On April 15, 2021, the Company finalized the acquisition of 70% of EVX Portugal, a private based Portuguese company who has the legal rights to an exploration license application with the Portugal Government to the Borba 2 exploration property (the "Exploration Application"), covering approximately 230 square kilometres in the Alentejo region in Southern Portugal. On October 28, 2021, the Exploration Application was approved by the Portuguese government. Europacific, through its subsidiary, EVX Portugal, entered into an exploration/concession agreement with the Portuguese government in relation to the Borba 2 property.

On the acquisition date, EVX Portugal had net assets of approximately \$NIL, as such, for the purpose of purchase price allocation, the entire amount (\$17,994) paid by Europacific to acquire the 70% interest in EVX Portugal was recorded as the acquisition cost on Europacific's Consolidated Statement of Financial Position, part of the Exploration and evaluation assets. As per the purchase agreement, when the exploration license to Borba 2 was granted by the Portuguese government, Europacific paid an additional cash of \$45,686 and issued common shares valued at \$20,000 to the sellers. Both amounts recorded as the acquisition cost on Europacific's Consolidated Statement of Financial Position, part of the Exploration and evaluation assets. For accounting purposes, the acquisition has been recorded as an asset acquisition as EVX Portugal did not meet the definition of a business, as defined in IFRS 3 *Business Combinations*.

On April 25, 2023, the Company and European Electric Metals Inc entered into an agreement pursuant to which the Company will purchase the 30% interest that European Electric Metals Inc has in EVX Portugal for \$50,000 and 700,000 common shares of the Company. The transaction was approved by the TSX-V on July 24, 2023.

Barrancos

See Note 8 – "Investment in associate" for details of the Barrancos project.

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

6. Exploration and evaluation assets (continued)

Scottie Gold Project

On August 19, 2022 the Company signed an Option Agreement with Scottie Resources Corp. ("Scottie"), a company engaged in the exploration and evaluation of gold and silver properties located in the "Golden Triangle" of British Columbia, to purchase an working interest in Scottie's exploration properties (the "Option").

Under the terms of the agreement, Goldplay can acquire up to 3.75% interest in the Scottie's properties by incurring up to \$1,500,000 in flow through eligible exploration expenses until December 31, 2022. If the exploration expenses incurred amount to less than \$1,500,000, Goldplay's earned interest in the Scottie's properties will be reduced proportionally.

Following the exercise of the Option, Goldplay will have the right (the "Put Right") to require Scottie to repurchase the interest earned by Goldplay by paying cash, at a price calculated by dividing the total exploration expenditures incurred by Goldplay by 1.71. Following the exercise of the Option, Scottie will have the right (the "Call Right") to repurchase the interest earned by Goldplay by paying cash, at a price calculated by dividing the total exploration expenditures incurred by Goldplay by 1.71.

In the event the Put Right or the Call Right is exercised, Scottie may, in its sole discretion, satisfy up to \$300,000 of the price for the repurchase of Goldplay's interest by issuing Goldplay common shares in the capital of Scottie.

The Company fulfilled its expenditure commitment by incurring a total of \$1,580,000 flow-through eligible expenditures and exercised the option to acquire the working interest in the Scottie's properties.

In order to make cash available for its Portuguese projects, which are seen as having a higher potential by Company, on November 9, 2022, the Company exercised the Put Right and resold the working interest to Scottie for a cash payment of \$900,000.

Scottie West Property Option

On November 22, 2020, the Company entered into a definitive agreement with Roughrider to acquire a 70% interest in the Scottie West Property, located in the "Golden Triangle" in Northwestern British Columbia.

Pursuant to terms of the agreement with Roughrider, the Company committed to the following to earn the 70% interest in the Scottie West property:

	Cash	Shares to be issued to Roughrider	Work commitment
Upon Signing	\$25,000 (paid in November 2020)	Equivalent of \$25,000 (issued in November 2020)	none
Year 1	\$25,000 (paid in November 2021)	Equivalent of \$50,000 (issued in November 2021)	\$200,000 (fulfilled)
Year 2	\$50,000	Equivalent of \$75,000	\$100,000
Year 3	\$150,000	Equivalent of \$150,000	\$300,000
Year 4	\$250,000	Equivalent of \$200,000	\$400,000
Total	\$500,000	Equivalent of \$500,000	\$1,000,000

During the year ended December 31, 2022, the Company decided to not further pursue this project and accordingly recorded an impairment of \$128,114 in accordance with Level 3 of the fair value hierarchy.

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

6. Exploration and evaluation assets (continued)

Big Frank and Goldstorm South properties

On August 31, 2021, signed an option agreement with Cazador Resources Ltd. ("Cazador") to earn a 100 % interest in two properties known as "Big Frank" and "Goldstorm South" (formerly Nuit Mountain). The projects are located in the western Chilcotin District of southwestern British Columbia. The terms of the agreement were as follows:

Big Frank

	Cash	Shares to be issued to Cazador	Work commitment
Upon Signing	\$10,000 (paid in August 2021)	60,000 (issued in September 2021)	\$ 50,000 before December 31, 2021 (fulfilled)
Year 1 – before August 31, 2022	\$40,000	140,000	\$350,000
Year 2 – before August 31, 2023	\$100,000	600,000	\$600,000
Year 3 – before August 31, 2024	\$150,000	1,200,000	\$2,000,000
Year 4 – before August 31, 2025	\$400,000	2,000,000	\$4,000,000
Total	\$700,000	4,000,000	\$7,000,000

Goldstorm South

	Cash	Shares to be issued to Cazador	Work commitment
Upon Signing	\$5,000 (paid in August 2021)	30,000 (issued in September 2021)	\$ 25,000 before December 31, 2021 (fulfilled)
Year 1 – before August 31, 2022	\$20,000	70,000	\$175,000
Year 2 – before August 31, 2023	\$50,000	300,000	\$300,000
Year 3 – before August 31, 2024	\$75,000	600,000	\$1,000,000
Year 4 – before August 31, 2025	\$200,000	1,000,000	\$2,000,000
Total	\$350,000	2,000,000	\$3,500,000

During the year ended December 31, 2022, the Company decided to not further pursue the Big Frank and Goldstorm South projects and accordingly recorded an impairment of \$28,239 in accordance with Level 3 of the fair value hierarchy.

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

7. Flow-through shares premium liability

During the year ended December 31, 2021, the Company raised \$1,973,980 through the issuance of 11,611,648 flow-through common shares at a price of \$0.17 per share. A flow-through liability of \$238,115 was recognized on the issuance date. As of December 31, 2022, the Company fulfilled the flow-through share obligation.

During the year ended December 31, 2022, the Company accrued Part XII.6 tax of \$12,088 on unspent proceeds renounced under the Look-Back Rule. As at December 31, 2022, the amount was included within accounts payable and accrued liabilities and was remitted to the Canada Revenue Agency in Q1 2023.

8. Investment in associate

On June 23, 2021, the Company has signed a definitive agreement (the "Agreement") to acquire up to 100% equity interest in a private Portuguese company, Indice Crucial, which holds exploration rights on several past producing copper and gold projects as well as other advanced gold exploration applications in Portugal. Upon signing of the Agreement, Europacific earned a 20% ownership in Indice Crucial. Under the terms of the Agreement, Europacific will acquire up to a 100% equity interest in Indice Crucial by making the following cash and share payments to BMP, the parent of Indice Crucial.

Timing	Cash in Euro	Europacific Shares	Europacific ownership
Upon Signing	100,000 (paid June 23, 2021)	100,000 (issued July 19, 2021)	20%
Within 2 Years	150,000	500,000	50%
Within 4 Years	100,000	750,000	85%

Europacific, can acquire the remaining 15% equity interest, for a total of 100%, at any time, for 2M Euro. The 20% initial investment in Indice Crucial was recorded at cost \$(165,987) as a significant influence investment on the Consolidated Statement of Financial Position of the Company.

Reconciliation of the carrying value of the investment and amounts due from Indice Crucial:

Value of the investment at December 31, 2020	-
Initial amount paid for 20% shares of Indice Crucial	\$ 148,487
Issuance of 100,000 shares to Indice Crucial	\$ 17,500
Loans advanced to Indice Crucial	\$ 215,640
Deduct 2021 loss of Indice Crucial attributable to Europacific (20% of total loss)	\$ (41,928)
Value of the investment at December 31, 2021	\$ 339,699
Loans advanced to Indice Crucial	\$ 298,610
Deduct 2022 loss of Indice Crucial attributable to Europacific (20% of total loss)	\$ (59,215)
Value of the investment at December 31, 2022	\$ 579,094
Value of the investment at December 31, 2022	\$ 579,094
Loans advanced to Indice Crucial	\$ 55,529
Deduct 2023 loss of Indice Crucial attributable to Europacific (20% of total loss)	\$ (231)
Value of the investment at June 30, 2023	\$ 634,392

Europacific Metals Inc. (formerly Goldplay Mining Inc.)

Notes to the Condensed Consolidated Interim Financial Statements

For the three and six months ended June 30, 2023 and 2022

(Unaudited - expressed in Canadian dollars)

8. Investment in associates (continued)

During the six months ended June 30, 2023, Europacific incurred \$56,832 (June 30, 2022 - \$203,240) in evaluation and explorations expenses on the Barrancos property (owned by Indice Crucial and co-managed by Europacific and Indice Crucial). The amount, plus a 2% management fee of \$1,068 (June 30, 2022 - \$4,059), was recharged by Europacific to Indice Crucial, as per a service agreement between the two parties.

Amounts recharged and additional advances are accumulated under a loan agreement with Indice Crucial which is unsecured, has no set terms of repayment and bears interest at a fixed annual rate of EURIBOR six months plus 2%.

9. Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item.

Depreciation is provided at rates calculated to write off the cost of equipment, less estimated residual value, using the straight-line method over the following expected useful lives. As of June 30, 2023, the Company had the following equipment:

	June 30, 2023		December 31, 2022	
	Cost	Accumulated amortization	Net book value	Net book value
Computer equipment	\$ 5,898	\$ 737	\$ 3,687	\$ 4,425
Total	\$ 5,898	\$ 737	\$ 3,687	\$ 4,425

10. Subsequent events

On April 25, 2023, the Company and European Electric Metals Inc entered into an agreement pursuant to which the Company agreed to purchase the 30% interest that European Electric Metals Inc has in EVX Portugal for \$50,000 and 700,000 common shares of the Company. The transaction was approved by TSXV on July 24, 2023 and the Company issued 700,000 common shares to European Electric Metals. The shares will be released according to the following schedule:

Nov 25, 2023 – 175,000
Feb 24, 2024 – 175,000
May 24, 2024 – 175,000
Aug 24, 2024 – 175,000.