



Group Eleven Resources Corp.

Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended September 30, 2022

Expressed in Canadian Dollars

(Unaudited)

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORTING

The accompanying condensed consolidated interim financial statements of Group Eleven Resources Corp. ("the Company") have been prepared by and are the responsibility of management of the Company. Management acknowledges responsibility for the preparation and presentation of the condensed consolidated interim financial statements, including responsibility for significant accounting estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

The Company's independent auditor has not performed a review of these unaudited condensed consolidated interim financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of unaudited condensed consolidated interim financial statements by an entity's auditor.

GROUP ELEVEN RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION

(Unaudited – Expressed in Canadian Dollars)

	Note	September 30, 2022	December 31, 2021
ASSETS			
Current Assets			
Cash		1,703,761	943,686
Prepaid expenses		2,141	56,439
Other receivables		112,948	23,882
Total Current Assets		1,818,850	1,024,007
Non-current assets			
Equipment	3	2,209	6,003
Exploration and evaluation assets	4	8,897,821	8,897,821
Total Assets		10,718,880	9,927,831
LIABILITIES AND EQUITY			
Current Liabilities			
Accounts payable and accrued liabilities	5, 10	329,083	351,598
Exploration partner advances	4	335,630	219,568
Total Current Liabilities		664,713	571,166
Non-Current Liabilities			
Government loan payable		40,000	40,000
Total liabilities		704,713	611,166
Equity			
Share capital	6	20,520,423	18,088,060
Reserves	6	1,020,091	869,763
Deficit		(14,489,141)	(12,690,402)
Total Shareholders' Equity		7,051,373	6,267,421
Non-controlling interest	7	2,962,794	3,049,244
Total Equity		10,014,167	9,316,665
Total Liabilities and Equity		10,718,880	9,927,831

Nature and continuance of operations (Note 1)**Subsequent events (Note 12)**

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

GROUP ELEVEN RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

(Unaudited – Expressed in Canadian Dollars, unless otherwise stated)

	Note	Three Months Ended September 30, 2022	2021	Nine Months Ended September 30, 2022	2021
Operating expenses					
Exploration expenditures	4	414,148	177,297	1,083,498	668,996
Salaries and benefits	10	78,684	147,173	331,591	422,265
Marketing and investor relations		10,906	31,959	63,557	108,125
General and administrative		33,026	27,668	109,435	34,080
Professional Fees	10	57,823	27,272	88,832	72,050
Depreciation	3	1,265	1,265	3,794	3,793
Foreign exchange loss		42,587	232,659	144,581	291,144
Interest income		(777)	271	(1,210)	(1,850)
Share based payments	6, 10	54,091	12,867	61,111	38,602
Loss and comprehensive loss for the period		(691,753)	(658,431)	(1,885,189)	(1,637,205)
Loss attributable to:					
Shareholders		(685,321)	(649,314)	(1,798,739)	(1,607,011)
Non-controlling interest	7	(6,432)	(9,117)	(86,450)	(30,194)
		(691,753)	(658,431)	(1,885,189)	(1,637,205)
Basic and diluted loss per common shares attributable to shareholders (\$)		0.00	0.00	(0.01)	(0.01)
Weighted average number of shares outstanding (#)		158,301,502	137,469,836	152,777,082	136,961,885

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

GROUP ELEVEN RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Unaudited – Expressed in Canadian Dollars, unless otherwise stated)

	Share Capital		Reserves	Deficit	Total Shareholders' Equity	Non-controlling Interest	Total Equity
	Shares	Amount					
	(#)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Balance - December 31, 2020	125,977,452	17,367,286	801,420	(10,704,910)	7,463,796	3,109,412	10,573,208
Shares issued for private placement	11,492,384	747,005	-	-	747,005	-	747,005
Warrants issued for private placement	-	(26,231)	26,230	-	(1)	-	(1)
Share-base payments	-	-	38,602	-	38,602	-	38,602
Loss for the period	-	-	-	(1,607,011)	(1,607,011)	(30,194)	(1,637,205)
Balance - September 30, 2021	137,469,836	18,088,060	866,252	(12,311,921)	6,642,391	3,079,218	9,721,609
Share-base payments	-	-	3,511	-	3,511	-	3,511
Loss for the period	-	-	-	(378,481)	(378,481)	(29,974)	(408,455)
Balance - December 31, 2021	137,469,836	18,088,060	869,763	(12,690,402)	6,267,421	3,049,244	9,316,665
Shares issued for private placement	20,831,666	2,499,800	-	-	2,499,800	-	2,499,800
Share issuance costs	-	(38,220)	-	-	(38,220)	-	(38,220)
Warrants issued for private placement	-	(29,217)	29,217	-	-	-	-
DSUs issued for debt	-	-	60,000	-	60,000	-	60,000
Share-base payments	-	-	61,111	-	61,111	-	61,111
Loss for the period	-	-	-	(1,798,739)	(1,798,739)	(86,450)	(1,885,189)
Balance - September 30, 2022	158,301,502	20,520,423	1,020,091	(14,489,141)	7,051,373	2,962,794	10,014,167

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

GROUP ELEVEN RESOURCES CORP.

CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS

(Unaudited – Expressed in Canadian Dollars)

	Nine Months Ended September 30,	
	2022	2021
CASH FLOW FROM OPERATING ACTIVITIES		
Loss for the period	(1,885,189)	(1,637,205)
Items not affecting cash:		
Depreciation	3,794	3,793
Foreign exchange loss (gain)	(16,204)	(12,313)
Share-based payments	61,111	38,602
Securities issued for debt	60,000	-
Changes in non-cash working capital items:		
Prepaid expenses and deposits	54,298	20,777
Amounts receivable	(89,066)	39,521
Accounts payable and accrued liabilities	(22,515)	(305,795)
Net cash used in operating activities	(1,833,771)	(1,852,620)
CASH FLOWS FROM FINANCING ACTIVITIES		
Funds received from private placement	2,499,800	747,005
Contributions from Non Controlling Interest	132,266	-
Share issuance costs	(38,220)	-
Net cash provided by financing activities	2,593,846	747,005
Change in cash and cash equivalents	760,075	(1,105,615)
Cash and cash equivalents, beginning of period	943,686	2,282,719
Cash and cash equivalents, end of period	1,703,761	1,177,104
Cash and cash equivalents is represented by:		
Cash	1,693,761	1,167,104
Cash equivalents	10,000	10,000
	1,703,761	1,177,104
Supplemental Cash Flow Information:		
Agents' warrants issued for payment of financing fees	29,217	26,231

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

GROUP ELEVEN RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian Dollars, unless otherwise stated)

As at September 30, 2022

1. NATURE AND CONTINUANCE OF OPERATIONS

Group Eleven Resources Corp. (the "Company" or "GERC") was incorporated under the laws of the Province of British Columbia, Canada on November 25, 2016, and its principal business activity is the exploration and evaluation of mineral properties. The Company's registered and records office is located at 220 – 885 West Georgia Street, Vancouver, British Columbia. The Company's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol ZNG and on the OTC under the symbol GRLVF.

These condensed consolidated interim financial statements are prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has incurred ongoing losses since inception and has no source of recurring revenue. The success of the Company is dependent upon the ability of the Company to obtain necessary financing to continue its exploration and development activities, the confirmation of economically recoverable reserves, and upon establishing future profitable production, or realization of proceeds on disposal. These condensed consolidated interim financial statements do not give effect to the adjustments that would be necessary to the carrying value and classification of assets and liabilities should the Company be unable to continue as a going concern.

Management recognizes that the Company will need to raise additional funds to maintain its current level of operations and while it has been successful in doing so in the past, there can be no assurance that it will be able to do so in the future. Factors that affect the availability of financing include the progress and results of ongoing exploration at the Company's mineral properties, the state of international debt and equity markets, and investor perceptions and expectations of the global markets and mining and zinc sector in particular. A failure to raise capital when required could cause a deferral or delay in the current exploration projects, loss of currently held mineral properties, have a material adverse effect on the Company's business, financial condition and results of operations. Management estimates that its current working capital and subsequent financing will be sufficient to maintain the Company's operations and activities for the upcoming fiscal year.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting using the same accounting policies and methods of application as the audited annual consolidated financial statements for the year ended December 31, 2021, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. Accordingly, certain information and footnote disclosure normally included in annual financial statements have been omitted or condensed.

These condensed consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements of the Company as at and for the year ended December 31, 2021.

On November 21, 2022, the Board of Directors of the Company approved these condensed consolidated interim financial statements for the nine months ended September 30, 2022 and 2021.

(b) Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company, its wholly owned subsidiaries, Group Eleven Resources Ltd. ("GERL") and Group Eleven Mining and Exploration Inc. ("GEME"), a 60% interest in Ballinalack Resources Limited ("BRL"), and a 76.56% interest in TILZ Minerals Ltd. ("TILZ"), all incorporated in Dublin, Ireland. All inter-company transactions and accounts have been eliminated upon consolidation. For partially owned subsidiaries, the interest

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attributable to non-controlling shareholders is reflected in non-controlling interest. Adjustments to non-controlling interest are accounted for as transactions with owners and adjustments that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

3. EQUIPMENT

	Computer Equipment	Exploration Equipment	Total
	(\$)	(\$)	(\$)
Cost			
Balance, January 1, 2021	5,410	25,294	30,704
Balance, December 31, 2021	5,410	25,294	30,704
Balance, September 30, 2022	5,410	25,294	30,704
Accumulated Depreciation			
Balance, January 1, 2021	5,410	14,233	19,643
Depreciation	-	5,058	5,465
Balance, December 31, 2021	5,410	19,291	24,701
Depreciation	-	3,794	3,794
Balance, September 30, 2022	5,410	23,085	28,495
Net Book Value			
Balance, December 31, 2021	-	6,003	6,003
Balance, September 30, 2022	-	2,209	2,209

4. EXPLORATION AND EVALUATION ASSETS

All of the Company's exploration and evaluation assets are located in Ireland.

	Cumulative to December 31, 2020	Expenditures during the year	Cumulative to December 31, 2021	Expenditures during the period	Cumulative to September 30, 2022
	(\$)	(\$)	(\$)	(\$)	(\$)
Acquisition costs					
Exploration and evaluation assets acquired	8,897,821	-	8,897,821	-	8,897,821
Total acquisition costs	8,897,821	-	8,897,821	-	8,897,821

	Cumulative to December 31, 2020	Expenditures during the year	Cumulative to December 31, 2021	Expenditures during the period	Cumulative to September 30, 2022
	(\$)	(\$)	(\$)	(\$)	(\$)
Exploration expenditures					
Assays	329,348	44,876	374,224	29,995	404,219
Data compilation	793,003	172,801	965,804	127,240	1,093,044
Drilling	1,361,244	413,597	1,774,841	680,101	2,454,942
Equipment	384,325	89,056	473,381	72,058	545,439
Fieldwork	299,816	17,579	317,395	20,754	338,149
Geology consulting	185,818	60,384	246,202	15,145	261,347
Geophysical surveys	586,367	40,053	626,420	10,453	636,873
License fees	242,138	66,726	308,864	43,181	352,045
Technical supervision	206,880	85,344	292,224	48,075	340,299
Travel and accommodation	-	-	-	36,496	36,496
Total exploration expenditures	4,388,939	990,416	5,379,355	1,083,498	6,462,853

In February 2022, Arkle Resources PLC, through its subsidiary Limerick Zinc Limited (which subsidiary

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has a 23.44% interest in TILZ), advanced €98,215 (\$131,442) to fund future exploration at the Stonepark project. Additionally, the Company has remaining \$204,188 received from Shenzhen Zhongjin Lingnan Nonfemet Company Limited ("Nonfemet") to fund exploration at the Ballinalack project.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	September 30, 2022	December 31, 2021
	(\$)	(\$)
Accounts payable	243,945	157,019
Accrued liabilities	85,138	194,579
Accounts payable and accrued liabilities	329,083	351,598

6. SHARE CAPITAL

a) Share capital

Authorized: an unlimited number of common shares with no par value.

Issued: 158,301,502 common shares.

On January 11, 2021, the Company closed a non-brokered private placement of 11,492,384 common shares at a subscription price of \$0.065 per common share, for total proceeds of \$747,005. Glencore subscribed for 6,097,615 shares in the private placement. The Company issued 323,686 non-transferable finder's warrants related to a portion of the private placement to parties at arm's length to the Company. Each finder's warrant entitles a finder to purchase one common share at a price of \$0.065 per share for two years from the date of issue.

On February 23, 2022, the Company closed a non-brokered private placement of 20,831,666 units at a subscription price of \$0.12 per unit, for total proceeds of \$2,499,800. Each unit consisted of one common share and one half non-transferrable common share purchase warrant. Each warrant entitles the holder thereof to purchase one additional common share in the capital of the Company at \$0.18 per common share for 24 months from the date of issue. The Company paid \$68,220 in finders fees and issued 568,500 non-transferable warrants. Each finder's warrant entitles a finder to purchase one common share at a price of \$0.18 per common share for 24 months from the date of issue.

b) Stock options

In connection with the vesting of previously granted stock options, the Company recognized \$10,530 in share-based payments during the nine months ended September 30, 2022 (2021: 38,602). On September 13, 2022 the Company granted stock options allowing for the purchase of up to, in the aggregate, 1,585,000 common shares at \$0.10 per share until September 13, 2027, to employees, consultants, directors and officers of the Company. The options vest as to 1/3 each on the date of grant, one year after the date of grant and two years after the date of grant. The total amount of share-based payments expensed was calculated at \$121,394, of which \$50,581 was recognized during the period ended September 30, 2022. The grant date fair value was estimated using the Black-Scholes option pricing model with the following assumptions:

Assumptions:

Risk-free rate (%)	3.23
Expected stock price volatility (%)	113.43
Expected dividend yield (%)	0
Expected life of options (years)	5

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Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian Dollars, unless otherwise stated)

As at September 30, 2022

As at September 30, 2022, the Company had stock options outstanding as follows:

Expiry Date (date)	Number of options (#)	Number of options exercisable (#)	Exercise Price (\$/share)	Weighted Average Life (Years)
February 19, 2023	300,000	300,000	0.400	0.39
September 6, 2023	1,825,000	1,825,000	0.200	0.94
October 17, 2022	390,000	390,000	0.080	0.05
October 2, 2025	1,385,000	1,385,000	0.090	3.01
September 13, 2027	1,585,000	528,333	0.100	4.96
	5,485,000	4,428,333		2.53

A summary of the changes in the Company's stock options follows:

	Number of options (#)	Weighted Average Exercise Price (\$)
Balance - December 31, 2020	4,750,000	0.160
Balance - December 31, 2021	4,750,000	0.160
Granted	1,585,000	0.100
Forfeited	(850,000)	0.153
Balance - September 30, 2022	5,485,000	0.146

c) *Restricted Share Units (RSU)*

On July 2, 2019, the Company adopted an RSU plan for directors, officers, employees and consultants of the Company. Under the terms of the plan, each vested RSU awarded entitles the RSU holder to receive, subject to adjustment as provided for in the RSU Plan, either one common share in the Company or, at the Company's option, an equivalent cash payment. The RSUs are considered equity settled. RSUs will vest over a period of up to three years from the date of grant. The Company has reserved 2,000,000 common shares for issuance under the RSU Plan, subject to the total RSUs granted not exceeding, when aggregated with all other security-based compensation arrangements of the Company, 10% of the issued shares of the Company. The Company did not grant any RSU's for the nine months ended September 30, 2022.

RSUs are measured at fair value on the date of grant based on the closing price of the Company's shares on the date prior to the grant and are recognized as share-based compensation expense on a straight-line basis over the vesting period. The corresponding amount is recorded to the share-based payment reserve. Upon the exercise of RSUs, the related share-based payment reserve is transferred to share capital.

d) *Deferred Share Units (DSU)*

On July 2, 2019, the Board amended the terms of the DSU Plan. Under the terms of the amended DSU Plan, each vested DSU awarded entitles the DSU holder to receive, subject to adjustment as provided for in the DSU Plan, either one common share in the Company or, at the option of the Company, an equivalent cash payment. Shares eligible for issuance under the DSU Plan will be subject to the total DSUs granted not exceeding, when aggregated with all other security-based compensation arrangements of the Company, 10% of the issued shares of the Company.

For the purposes of the DSU Plan, the value of the DSU on the grant date is the market price, being the five-day volume weighted average price of the common shares immediately preceding the

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grant date. If the common shares are not trading on the TSX-V, then the Market Value shall be determined in the same manner based on the trading price on such stock exchange or over-the-counter market on which the common shares are listed and posted for trading as may be selected for such purpose by the Board.

On September 13, 2022, the Company granted 600,000 DSUs in settlement of \$60,000 owing to Directors for services provided in 2021.

As at September 30, 2022, the Company had DSUs outstanding as follows:

Grant Date (date)	Number of shares (#)
May 1, 2019	500,000
October 2, 2020	666,666
September 13, 2022	600,000
	1,766,666

A summary of the changes in the Company's DSUs follows:

	DSUs (#)
Balance - December 31, 2020	1,166,666
Balance - December 31, 2021	1,166,666
Granted	600,000
Balance - September 30, 2022	1,766,666

Warrants

Warrant transactions are summarized as follows:

	Number	Weighted Average Exercise Price
Balance, December 31, 2020	25,511,424	\$ 0.13
Issued – Private Placement	323,686	0.07
Balance, December 31, 2021	25,835,110	\$ 0.13
Issued – Private Placement	10,415,835	0.18
Issued – Broker	568,500	0.18
Balance, September 30, 2022	36,819,445	\$ 0.15

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Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian Dollars, unless otherwise stated)

As at September 30, 2022

As at September 30, 2022, the following warrants were outstanding:

Expiry Date (date)	Number of warrants (#)	Exercise Price (\$/share)	Weighted Average Life (Years)
October 11, 2022	4,200,000	0.240	0.03
May 25, 2023	1,100,000	0.100	0.65
June 29, 2023	6,400,000	0.100	0.75
July 2, 2023	500,000	0.100	0.76
July 28, 2023	13,311,424	0.120	0.83
January 6, 2023	323,686	0.065	0.27
February 18, 2024	10,984,335	0.180	1.39
	36,819,445		0.88

The fair value of the broker warrants issued were estimated using the Black-Scholes option pricing model with the following assumptions:

	June 30, 2022	December 31, 2021
Risk free interest rate	1.57%	0.23%
Expected life of warrants	2 Years	2 Years
Expected dividend yield	Nil	Nil
Expected stock price volatility	89%	100%
Weighted average fair value per warrant issued	\$ 0.05	\$ 0.07

7. NON-CONTROLLING INTEREST

	Ballinalack Resources Limited	TILZ Minerals Ltd.	Total
	(\$)	(\$)	(\$)
Non-controlling interest, December 31, 2020	2,423,690	685,722	3,109,412
Share of loss	(25,104)	(35,064)	(60,168)
Non-controlling interest, December 31, 2021	2,398,586	650,658	3,049,244
Share of loss	(2,400)	(84,050)	(86,450)
Non-controlling interest, September 30, 2022	2,396,186	566,608	2,962,794

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Notes to the Condensed Consolidated Interim Financial Statements

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As at September 30, 2022

The following table presents the non-controlling interest as at September 30, 2022 and December 31, 2021. The information below is before inter-company eliminations.

As at September 30, 2022	Ballinalack Resources Limited	TILZ Minerals Ltd.	Total
Non-controlling interest percentage	40%	23.44%	
	(\$)	(\$)	(\$)
Assets			
Current	89,762	267,701	357,463
Non-current	6,086,296	2,811,525	8,897,821
	<u>6,176,058</u>	<u>3,079,226</u>	<u>9,255,284</u>
Liabilities			
Current	216,122	700,643	916,765
	<u>216,122</u>	<u>700,643</u>	<u>916,765</u>
Net Assets	5,959,936	2,378,583	8,338,519
Non-controlling interest	<u>2,396,186</u>	<u>566,608</u>	<u>2,962,794</u>

As at December 31, 2021	Ballinalack Resources Limited	TILZ Minerals Ltd.	Total
Non-controlling interest percentage	40%	23.44%	
	(\$)	(\$)	(\$)
Assets			
Current	103,018	38,872	141,890
Non-current	6,086,296	2,811,525	8,897,821
	<u>6,189,314</u>	<u>2,850,397</u>	<u>9,039,711</u>
Liabilities			
Current	232,343	113,046	345,389
	<u>232,343</u>	<u>113,046</u>	<u>345,389</u>
Net Assets	5,956,971	2,737,351	8,694,322
Non-controlling interest	<u>2,398,586</u>	<u>650,658</u>	<u>3,049,244</u>

The following table presents the loss and comprehensive loss attributable to non-controlling interest:

	Nine months ended September 30,	
	2022	2021
	(\$)	(\$)
Loss and comprehensive loss for the period	1,885,189	1,637,205
Loss attributable to non-controlling interest		
Ballinalack Resources Limited	2,400	6,560
TILZ Minerals Ltd.	84,050	23,634
	<u>86,450</u>	<u>30,194</u>

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As at September 30, 2022

8. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. The Company monitors its adjusted capital which comprises all components of equity. The Company manages and adjusts its capital structure based on current economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements. No changes were made to the Company's capital management practices during the nine months ended September 30, 2022.

9. FINANCIAL RISK MANAGEMENT

The Company is exposed to a variety of risks related to financial instruments. The Board approves and monitors the risk management processes. The principal types of risk exposure and the way in which they are managed are as follows:

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. As at September 30, 2022 the Company had working capital of \$1,154,137 (December 31, 2021: \$452,841). Management believes that the Company has sufficient financial resources to meet its obligations as they come due.

Foreign exchange risk

The Company's functional currency is the Canadian dollar. There is a foreign exchange risk to the Company as its exploration and evaluation property interests and resulting future commitments are located in Ireland. The Euro translation rate has experienced volatility over the last several years as a result of monetary policies adopted by the European Central Bank. Management monitors its foreign currency balances and makes adjustments based on anticipated need for currencies. The Company has a policy of not engaging in hedging activities to address this foreign currency risk. At September 30, 2022, the Company had Euro denominated current assets of €1,019,461 and Euro denominated current liabilities of €417,747. Accordingly, a 10% change in the foreign exchange rate would result in a \$80,527 credit or charge to operations.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company is currently not exposed to any interest rate risk as cash is held in a non-interest bearing account and the Company does not hold any interest bearing liabilities.

Commodity price risk

While the value of the Company's exploration and evaluation assets is related to the price of zinc and other minerals, the Company currently does not have any operating mines and hence does not have any hedging or other commodity-based risks with respect to its operational activities. Zinc and other mineral prices have historically fluctuated widely and are affected by numerous factors outside of the Company's control, including, but not limited to, the perception of market participants about the price and future price prospects for zinc, changes in manufacturing and construction activity as well as other industrial demands, levels of worldwide production, and forward sales by producers and speculators.

Fair value

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:

GROUP ELEVEN RESOURCES CORP.

Notes to the Condensed Consolidated Interim Financial Statements

(Expressed in Canadian Dollars, unless otherwise stated)

As at September 30, 2022

- 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 fair value of the Company's other receivables and accounts payable and accrued liabilities approximates their carrying value because of the short-term nature of the financial instruments. The Company's cash is measured at fair value using Level 1 inputs.

10. RELATED PARTY BALANCES AND TRANSACTIONS

The 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.

Their remuneration includes the following:

	Nine Months Ended September 30,	
	2022	2021
	(\$)	(\$)
Salaries and benefits	274,484	354,589
Professional fees	52,966	15,750
Share-based payments	47,233	13,426
Total	374,683	383,765

For the nine months ended September 30, 2022, \$37,062 (2021: \$61,571) of salaries and benefits were recorded in exploration and evaluation expenses. At September 30, 2022, accounts payable and accrued liabilities include \$60,000 (2021: \$60,000) payable to directors of the Company.

11. SEGMENT INFORMATION

Reportable segments are those operations whose operating results are reviewed by the chief executive officer, being the individual at the Company making decisions about resources to be allocated to a particular segment, and assessing performance provided those operations pass certain quantitative thresholds.

The Company undertakes administrative activities in Canada, and is engaged in the acquisition, exploration, and evaluation of certain mineral property interests in Ireland. Accordingly, the Company's operations are in one commercial and two geographic segments. The Company's Equipment (Note 3) and Exploration and Evaluation Assets (Note 4) are held by the Company in Ireland. The remaining assets, including cash and cash equivalents, prepaids and receivables, reside in both of the Company's two geographic locations. The Company is not exposed to significant operating risks as a consequence of the concentration of its assets in Ireland.

12. SUBSEQUENT EVENTS

- October 11, 2022: warrants allowing for the acquisition of up to, in the aggregate, 4,200,000 shares of the Company at \$0.24 per share expired.
- October 17, 2022: stock options allowing for the acquisition of up to, in the aggregate, 390,000 shares of the Company at \$0.08 per share expired.