Condensed Interim Consolidated Financial Statements of

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

For the three months ended March 31, 2023 and 2022 (unaudited)

NOTICE OF NO AUDITORS' REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3) (a), if an auditor has not performed a review of the interim condensed consolidated financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of West High Yield (W.H.Y.) Resources Ltd. have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements.

Calgary, Alberta

May 24, 2023

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Financial Position
(Unaudited, stated in Canadian dollars)

	March 31, 2023	December 31, 2022
Assets		
Current Assets:		
Cash and cash equivalents	$ 653,493	$ 1,046,225
Accounts receivable	135,184	117,783
Prepaid expenses	71,529	62,264
	860,206	1,226,272
Restricted deposits *(Note 3)*	68,568	68,568
Property and equipment (*Note 4*)	41,840	47,251
Exploration and evaluation – mineral property (*Note 5)*	1,508,364	1,508,364
Total Assets	**$ 2,478,978**	$ 2,850,455
Liabilities		
Current Liabilities:		
Accounts payable and accrued liabilities	$ 1,877,710	$ 1,980,243
Flow-through premium liabilities	125,600	125,600
Lease liabilities	3,921	6,212
Liabilities due to related parties (*Note 9*)	3,801,430	3,747,637
`	**5,808,661**	5,859,692
Total Liabilities	**$ 5,808,661**	$ 5,859,692
Shareholders' Equity		
Common shares (*Note 8(b)*)	20,041,896	19,894,401
Warrants (*Note 8(c)*)	1,591,739	1,542,232
Contributed surplus	9,032,841	8,537,996
Deficit	(33,989,766)	(32,977,482)
Total shareholders' equity	**(3,323,290)**	(3,002,853)
Non-controlling interest	**(6,393)**	(6,384)
Total Liabilities and Shareholders' Equity	**$ 2,478,978**	$ 2,850,455

Going concern (*Note 1*)
Commitments and contingencies (*Note 15*)
Subsequent events (*Note 16*)

See accompanying notes to the condensed interim consolidated financial statements.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss
(Unaudited, stated in Canadian dollars)

	Three months ended	
	March 31, 2023	**March 31, 2022**
Expenses		
Head office expense	$ 275,045	$ 279,053
Exploration expense (*Note 6*)	182,900	236,115
Interest and bank charges (*Note 9*)	54,092	54,353
Interest on long term debt (*Note 7)*	-	52,294
Stock based compensation	494,845	-
Depreciation and amortization (*Note 4*)	5,411	4,594
	$ 1,012,293	$ 626,409
Net loss and comprehensive loss attributable to:	**$ (1,012,293)**	$ (626,409)
W.H.Y. Resources Ltd.	**(1,012,284)**	(626,409)
Non-controlling interest	**(9)**	-
Loss per common share attributable to West High Yield (W.H.Y.) Resources Ltd.		
Basic and diluted	**$ (0.01)**	$ (0.01)
Weighted average number of shares outstanding		
Basic and diluted	**84,313,584**	75,452,699

See accompanying notes to the condensed interim consolidated financial statements.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Shareholders Deficit
(Unaudited, stated in Canadian dollars)

	Three months ended	
	March 31, 2023	**March 31, 2022**
Common shares (*Note 8(b)*)		
Balance, beginning of year	19,894,401	$16,403,581
Private placement	147,495	523,390
Warrants exercised	-	75,268
Share issue costs	-	(8,430)
Balance, end of period	**20,041,896**	16,993,809
Warrants (*Note 8(c)*)		
Balance, beginning of year	1,542,232	705,938
Issued on private placement	49,507	500,610
Warrants exercised	-	(19,020)
Balance, end of period	**1,591,739**	1,187,528
Contributed surplus		
Balance, beginning of year	8,537,996	8,502,911
Stock based compensation	494,845	-
Balance, end of period	**9,032,841**	8,502,911
Deficit		
Balance, beginning of year	(32,977,482)	(29,165,631)
Net loss	(1,012,284)	(626,409)
Balance, end of period	**(33,989,766)**	(29,792,040)
Non-Controlling Interest	**(6,393)**	**(6,356)**
Balance, end of period	**(33,996,159)**	**(29,798,396)**
Total Shareholder's equity	**$ (3,329,683)**	$ (3,114,148)

See accompanying notes to the condensed interim consolidated financial statements.

WEST HIGH YIELD (W.H.Y.) RESOURCES LTD.

Condensed Interim Consolidated Statements of Cash Flow
(Unaudited, stated in Canadian dollars)

	Three months ended	
	March 31, 2023	**March 31, 2022**
Cash provided by (used in)		
Operating		
Net loss	**$** (1,012,293)	$ (626,409)
Add (deduct) non-cash items:		
Interest accrued - related party loan (*Note 9*)	53,793	53,999
Interest accrued - long term loan (*Note 7*)	-	52,295
Stock based compensation	494,845	-
Depreciation and amortization (*Note 4*)	5,411	4,594
	(458,244)	(515,521)
Net change in non-cash working capital (*Note 14*)	(129,199)	2,143,729
Cash Flow used in operating activities	**$ (587,443**)	$ 1,628,208
Financing		
Proceeds from related party loan (*Note 9*)	-	-
Issue of shares and warrants (*Note 8*)	197,002	1,080,250
Shares and warrant issue costs	-	(8,430)
Payment of lease liabilities	(2,291)	(2,291)
Cash Flow from financing activities	**194,711**	1,069,529
Increase in cash and cash equivalents	**$ (392,732)**	$ 2,697,737
Cash and cash equivalents, beginning of period	1,046,225	133,465
Cash and cash equivalents, end of period	**$ 653,493**	$ 2,831,202
Interest paid	**$ 299**	$ 354

Cash and cash equivalents are comprised of cash deposits at the bank.

See accompanying notes to the condensed interim consolidated financial statements.

West High Yield (W.H.Y.) Resources Ltd. (the "**Company**") was incorporated on August 29, 2003 under the laws of the Province of Alberta and its principal business activities are the acquisition, exploration and development of mineral properties in British Columbia, Canada. The Company's shares trade on the TSX Venture Exchange under the trading symbol WHY.

1. Going Concern and nature of operations

These consolidated financial statements have been prepared on a going concern basis. The going concern basis of presentation assumes that the Company will continue in operation for the foreseeable future and be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

The consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate. If the going concern assumption was not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying amount and classification of assets and liabilities and the amount of reported expenses. Such adjustments could be material.

For the three months ended March 31, 2023, the Company had incurred a net loss of $1,012,293 and increased cash in operations of $587,443. As at March 31, 2023, the Company had a working capital deficiency of $4,948,455.

The Company is in the process of exploring and evaluating its mineral properties and has not yet determined whether its mineral properties contain mineral reserves that are economically recoverable. The ability of the Company to continue as a going concern is dependent on continued forbearance of the amounts due to related parties and the Company's ability to obtain financing to continue exploration and development of the mineral property. There is no certainty that the Company will be able to obtain the financing required to continue exploration and development activities or of the ongoing forbearance of related parties and other creditors. In addition, there is no certainty that the mineral property will contain economically recoverable reserves. These conditions create a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

2. Significant accounting policies, judgments and estimation uncertainty

Basis of presentation and measurement and Statement of Compliance

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting' and using the accounting policies outlined by the Company in its annual consolidated financial statements for the year ending December 31, 2022. These condensed consolidated interim financial statements should be read in conjunction with the annual financial statements for the year ending December 31, 2022.

The condensed interim consolidated financial statements of the Company include MG Innovations Inc., a private Alberta company of which the Company holds 40% ownership for the period ending March 31, 2023.

These condensed interim consolidated financial statements were authorized for issue by the Company's board of directors on May 24, 2023.

The preparation of condensed interim consolidated financial statements requires management to make estimates and judgements that affect the amounts reported in the consolidated financial statements and accompanying notes. Financial results as determined by actual events may differ.

(Unaudited, stated in Canadian dollars)

The identification of impairment indicators requires judgment, and if identified, the determination of the recoverable amount of the related asset requires several estimates that are inherently subject to uncertainty. The recoverability of amounts for mineral properties is dependent upon the discovery of economically recoverable ore reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production from its mineral properties.

The measurement of stock-based compensation requires management's estimate as to the valuation methodology and several inputs, including the estimated volatility of the Company's stock and the forfeiture rate.

These condensed interim consolidated financial statements at March 31, 2023 have been prepared following the same accounting policies as the consolidated financial statements as at December 31, 2022.

3. Restricted deposits

As at March 31, 2023, the Company has $68,568 in deposits in restricted accounts as required by the British Columbia Ministry of Mining (as at December 31, 2022, this amount was $68,568).

4. Property and equipment

March 31, 2023	Cost	Accumulated amortization	Net book value
Buildings	$ 29,692	$ 29,692	$ -
Office equipment	85,412	82,050	3,362
Automotive equipment	181,434	146,788	34,646
Field equipment	82,449	82,449	-
Right of use asset	66,152	62,320	3,832
	$ 445,139	$ 403,299	$ 41,840

(Unaudited, stated in Canadian dollars)

December 31, 2022	Cost	Accumulated amortization	Net book value
Buildings	$ 29,692	$ 29,692	$ -
Office equipment	85,412	81,178	4,234
Automotive equipment	181,434	144,548	36,886
Field equipment	82,449	82,449	-
Right of use asset	66,152	60,021	6,131
	$ 445,139	$ 397,888	$ 47,251

5. Exploration and evaluation assets - mineral property

In September 2003, the Company acquired the exploration and evaluation assets (the "**Assets**") for a total cost of $1,258,509. The exploration and evaluation assets consist of eight crown granted mineral claims, three modified grid claims and six staked claims in the Rossland Mining Camp located in the Trail Creek Mining district in southeastern British Columbia, Canada.

During 2021, the Company acquired additional mineral claims for a total cost of $27,381.

There were no impairment indicators for the exploration and evaluation assets at December 31,2022.

	Amount
Balance as at December 31, 2022:	$1,508,364
Additions:	-
Balance as at December 31, 2022:	1,508,364
Additions:	-
Balance as at March 31, 2023	$1,508,364

6. Exploration and evaluation costs

Exploration costs expensed by the Company on the Assets are detailed in the following table:

	Three months ended	
	March 31, 2023	March 31, 2022
Consulting and labour	$ 116,691	$ 27,402
Legal	343	-
Assay	4,400	87,560
Field equipment and supplies	-	58,476
Miscellaneous field costs	2,222	62,201
Environmental	36,000	-
Geology and mapping	22,536	-
Freight and equipment transport	708	476
Total:	**$ 182,900**	$ 236,115

(Unaudited, stated in Canadian dollars)

During the three months ended March 31,2023, the Company continued to work on the environmental study, stakeholder engagement, and mine plan development as required by the Environmental Assessment Certification and permit processes set out by the British Columbia Ministry of Mines.

The Company also engaged service firms to perform a series of hydrometallurgical tests on the Company's magnesium ore to evaluate magnesium and recovery alternatives.

During the year ended December 31, 2022, the Company closed an initial tranche closing of a concurrent brokered private placement offering (the "Concurrent Offering") by issuing 1,570,000 flow-through units (the "Flow-Through Units") at a price of $0.50 per Flow-Through Unit for gross proceeds of $785,000 and 399,000 ordinary units (the "Ordinary Units") at a price of $0.42 per Ordinary Unit for gross proceeds of $167,580, representing aggregate gross proceeds of $952,580. The terms underlying the Concurrent Offering, and specifically the Flow-Through Units, requires the Company to incur $785,000 of qualifying Canadian exploration expenses (the "CEEs") based on the proceeds raised under the issuance of the Flow-Through Units and renounce the CEEs to the Company's shareholders who subscribed for Flow-Through Units under the Concurrent Offering with the effective date of December 31, 2022.

The Company has commitments to spend $925,354 in exploration and evaluation costs in 2023.

7. Long term debt

On April 27, 2016, the Company received a $1,000,000 unsecured loan with a 10-year repayment term, which bears interest at 11.61% payable at end of term. Loan repayment terms advance in the event the Company achieves cumulative net cash flow from operations of greater than $5,000,000 subsequent to April 27, 2026, which has not occurred to date.

On May 20, 2022, the Company entered into a debt settlement agreement with an arm's length creditor of the Company whereby it agreed to convert $1,883,822 of debt owed to said creditor by issuing 3,139,370 common shares of the Company (the "Settlement Shares") at a fair value of $0.55 per Settlement Share in full and final satisfaction of the debt owing to the creditor and a gain on settlement of $156,969. The Settlement Shares were issued in reliance of certain prospectus exemptions available under Canadian securities legislation and were subject to the standard four month and one day hold period from their date of issuance.

	Three months ended	
	March 31, 2023	**December 31, 2022**
Loan due April 27, 2026	$ 1,000,000	$ 1,000,000
Cumulative unpaid interest	883,622	883,622
Settlement of debt	(1,883,622)	(1,883,622)
Total	**$ -**	$ -

(Unaudited, stated in Canadian dollars)

Financing costs comprised of the following:

	Three months ended	
	March 31, 2023	**March 31, 2022**
Interest on long-term debt	$ -	$ 52,294
Interest on related party loans (*Note 9*)	53,793	53,999
Other interest and bank charges	299	354
Total	**$** 54,092	$ 106,647

8. Equity instruments

(a) Share capital:

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

(b) Common shares issued and outstanding:

The continuity of the Company's issued common share capital is as follows:

	Number of Shares	**Amount**
Balance as at December 31, 2022:	83,952,521	$19,894,401
Share issue costs	-	-
Warrants exercised	-	-
Private placement (i,ii,)	469,053	147,495
Balance as at March 31, 2023	84,421,574	$20,041,896

i) On January 18, 2023, the Company completed a second tranche closing of the Concurrent Offering by issuing 309,530 Ordinary Units at a price of $0.42 per Ordinary Unit for total gross proceeds of $130,003. Each Ordinary Unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of $0.70 per share for 24 months from the date of closing.

ii) On January 26, 2023, the Company completed the final tranche closing of the Concurrent Offering by issuing 159,523 Ordinary Units at a price of $0.42 per Ordinary Unit for total gross proceeds of $67,000. Each Ordinary Unit consisted of one common share and one share purchase warrant exercisable into one additional common share at a price of $0.70 per share for 24 months from the date of closing.

(c) Warrants

	Number of Warrants	**Amount**
Balance at December 31, 2022	7,158,352	$ 1,542,232
Private Placement	469,053	49,507
Balance at March 31, 2023	7,627,405	$ 1,591,739

(Unaudited, stated in Canadian dollars)

(d) Stock Options:

The Company has a stock option plan (the "**Plan**") for its officers, directors, employees and consultants. The maximum number of common share options issuable under the Plan cannot exceed 10% of the Company's issued and outstanding common shares.

The following table summarizes the status of the options issued pursuant to the Plan.

	Stock Options		Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)
Balance, December 31, 2022	6,607,000	$	0.32	3.10
Options granted, Feb. 03, 2023(8(iii))	1,748,000		0.45	4.85
Balance, March 31 ,2023	**8,355,000**	**$**	**0.47**	**3.08**
Exercisable options March 31, 2023	**8,355,000**	**$**	**0.47**	**3.08**

The fair value of the1,748,000 stock options granted to officers and consultants on February 3, 2023 of $0.45 per option was calculated at the grant date using the Black-Scholes option pricing model. The assumptions for this calculation were a risk-free interest rate of 3.9%, expected life of 5 years and historical volatility was used for calculation of expected volatility of 72%.

The range of exercise prices for stock options outstanding and exercisable under the plan at March 31, 2023 is as follows:

Exercise Price	Awards Outstanding and Exercisable	Remaining contractual life (years)	Weighted Average Exercise Price($)
$0.12-$0.35	5,800,000	2.47	0.22
$0.43-$0.45	1,828,000	4.61	0.44
$1.05	727,000	3.64	1.05
	8,355,000	3.08	0.47

9. Related party transactions

The Company has received loans from Big Mountain Development Corp. Ltd. ("**Big Mountain**"), a related party and significant shareholder of the Company, as detailed in the table below. The loans received from Big Mountain are secured by promissory notes and a general security agreement over all the assets of the Company. The Big Mountain loans have both become due and owing, and the Company's board of directors and Big Mountain are currently negotiating extension terms as of the date hereof.

The Company received a loan from one of its directors in 2018 (non-interest bearing) in the amount of $200,000. During the year ended December 31, 2021, the Company received an additional loan from one of its directors of in the amount of $38,000. Furthermore, during the year ended December 31, 2022, the Company made repayment on the loans from its directors in the amount of $193,260 ((as at December 31, 2021, this amount was $44,740).

(Unaudited, stated in Canadian dollars)

	Three months ended		Year ended	
		March 31, 2023		**December 31, 2022**
Big Mountain loan:	$	1,700,000	$	1,700,000
Loan due December 31, 2022 (bears interest at 8%)				
Advance on loan (8%)		65,788		65,788
Advance on loan (10%)		750,000		750,000
Accrued interest at end of year:		1,285,642		1,231,849
Balance, end of period	$	**3,801,430**	**$**	**3,747,637**

Interest and bank charges expense is comprised of the following:

	Three months ended			
		March 31, 2023		**March 31, 2022**
Interest on related party loans	$	53,793	$	53,999
Other interest and bank charges		299		354
Balance, end of period	**$**	**54,092**	$	**54,353**

10. Lease liability

	Three months ended		Year ended	
		March 31, 2023		**December 31, 2022**
Opening balance,	**$**	6,212	**$**	6,212
Additions		-		9,197
Lease interest expense		109		403
Lease payments		(2,400)		(9,600)
	$	**3,921**	**$**	**6,212**

11. Financial risk exposure, risk management and financial instruments

(a) Fair value:

Financial instruments of the Company consist primarily of cash and cash equivalents, accounts receivable, restricted deposits, accounts payable and accrued liabilities, due to related party and long-term debt. As at March 31, 2023, there were no significant differences between the carrying amounts reported on the condensed interim consolidated statement of financial position and their estimated fair values as the amounts are short term in nature, or bear interest at market rates.

(b) Liquidity risk:

Cash forecasts are done to match spending on general and administration costs and exploration costs to available cash resources. Spending is increased or decreased to match available funds. Alternatively, the Company seeks capital through the offering of common shares or loans from related parties to fund general and administrative costs and exploration activities. As discussed in note 1, the Company will have to raise additional capital through the issue of shares or other means to discharge its current liabilities and the amount due to the related party or seek forbearance of the related party and other creditors.

(Unaudited, stated in Canadian dollars)

(c) Interest rate risk:

Related party loans and long-term debt are at fixed rates therefore the Company is not exposed to interest rate fluctuations thereon except if the loans are refinanced at maturity versus settled.

(d) Credit risk:

Cash and cash equivalents are held with one bank. Accounts receivable is comprised predominantly of goods and services taxes input tax credits refundable therefore the Company's credit exposure is not significant. Accounts receivable of $135,184 are considered current.

(e) Commodity price risk:

The Company is not currently exposed to commodity price risk, as the Company is in the pre-production phase. The overall development of the Company's properties is exposed to mineral price risks as a significant decrease in relevant prices would affect the economic returns of the mineral property.

13. Capital disclosures

The Company's capital historically has been derived from the issuance of equity and more recently from advances from a related party. Management monitors its financial position on an ongoing basis. Equity is issued or debt from related parties is obtained to finance drilling programs and Company's operations. Significant capital will be required for full development of commercial mining production if the properties are proven to be economic.

14. Supplemental cash flow information

	Three months ended	
	March 31, 2023	**March 31, 2022**
Accounts receivable	**$ (17,400)**	$ 2,487,120
Prepaid expenses	**(9,264)**	51,830
Accounts payable and accrued liabilities	**(102,535)**	(395,221)
Net change in non-cash working capital	**$ (129,199)**	**$ 2,143,729**

15. Commitments and contingencies

The Company has a 10.5-hectare surface land lease to purchase agreement where rent is $800 per month for one year term ending August 31, 2022. At any time during the term the Company has the option to purchase the lands for $340,000.

16. Subsequent events

On May 19th, 2023, the Company completed a sixth tranche closing of the drawdown equity financing facility (the "**ELOC Facility**") of up to CAD$12,000,000 with Alumina Partners (Ontario) Ltd. ("**Alumina**") totaling 1,000,00 units issued to Alumina at a price of $0.36 per unit for total gross proceeds of $360,000. Each unit consists of one common share and one share purchase warrant exercisable into one additional common share at a price of $0.5625 per share for 36 months from the date of closing. Further details of the ELOC Facility were disclosed in the Company's 2021 annual financial statements and news release dated December 14, 2021.