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**OLIVE RESOURCE CAPITAL INC.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL**  
**STATEMENTS**  
**FOR THE THREE AND NINE MONTHS ENDED**  
**SEPTEMBER 30, 2023**  
**(EXPRESSED IN CANADIAN DOLLARS UNLESS OTHERWISE STATED)**  
**(UNAUDITED)**

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**Notice to Reader**

The accompanying condensed consolidated interim financial statements of Olive Resource Capital Inc. (the "Company") have been prepared by and are the responsibility of management. The condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

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**OLIVE RESOURCE CAPITAL INC.**

Condensed Interim Consolidated Statements of Financial Position  
(Expressed in Canadian Dollars unless otherwise stated)  
(Unaudited)

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	September 30, 2023	December 31, 2022
<b>ASSETS</b>		
Cash	\$ 2,660,912	\$ 301,380
Amounts receivable	37,418	37,400
Publicly traded investments (Note 3(a))	2,403,507	4,202,288
Non-public loans and convertible debentures (Note 3(c))	1,507,383	1,489,789
Prepaid expenses	22,258	38,459
Restricted cash (Note 4)	25,000	25,000
Non-public investments (Note 3(b))	830,907	632,867
<b>Total assets</b>	<b>\$ 7,487,385</b>	<b>\$ 6,727,183</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Notes 6 and 11)	\$ 91,334	\$ 338,893
Deferred gain on acquisition of investments (Note 7)	81,591	81,591
<b>Total liabilities</b>	<b>172,925</b>	<b>420,484</b>
<b>Shareholders' equity</b>		
Share capital (Note 8)	14,969,207	15,208,812
Contributed surplus (Note 9)	371,236	328,053
Deficit	(8,025,983)	(9,230,166)
<b>Total shareholders' equity</b>	<b>7,314,460</b>	<b>6,306,699</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 7,487,385</b>	<b>\$ 6,727,183</b>

Nature of Operations (Note 1)

Commitments and Contingencies (Note 14)

Subsequent event (Note 15)

Approved by the Board of Directors:

"Samuel Pelaez" \_\_\_\_\_ Director

"Derek Macpherson" \_\_\_\_\_ Director

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

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**OLIVE RESOURCE CAPITAL INC.**

Condensed Interim Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)  
(Expressed in Canadian Dollars unless otherwise stated)  
(Unaudited)

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	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
<b>Revenues</b>				
Realized (loss) gain on investments (Note 3)	\$ (5,975,001)	\$ 21,568	\$ (5,369,237)	\$ 788,475
Unrealized gain (loss) on investments (Note 3)	6,154,743	(963,699)	6,873,931	(4,498,457)
Management fee income (Note 5)	-	4,007	-	17,310
Interest income	(3,337)	31,502	64,624	32,911
Loss on conversion of convertible debentures	-	(114,045)	-	(114,045)
<b>Total revenues</b>	<b>176,405</b>	<b>(1,020,667)</b>	<b>1,569,318</b>	<b>(3,773,806)</b>
<b>Operating expenses</b>				
Salaries and benefits (Note 11(b))	11,110	11,578	37,381	47,694
Professional fees (Note 11(a)(i)(ii)(iii)(iv)(v))	100,873	88,593	364,708	259,215
Shareholder information	9,046	16,965	39,434	25,227
General and administrative	27,227	28,171	71,361	45,998
Investor relations	4,831	5,085	15,001	15,509
Stock-based compensation (Notes 9 and 11(b))	10,858	25,003	43,183	96,118
Foreign exchange loss (gain)	(5,278)	(7,744)	8,142	(11,651)
<b>Total operating expenses</b>	<b>158,667</b>	<b>167,651</b>	<b>579,210</b>	<b>478,110</b>
<b>Net income (loss) and comprehensive income (loss) for the period</b>	<b>\$ 17,738</b>	<b>\$ (1,188,318)</b>	<b>\$ 990,108</b>	<b>\$ (4,251,916)</b>
<b>Basic and diluted net income (loss) per share (Note 10)</b>	<b>\$ 0.00</b>	<b>\$ (0.01)</b>	<b>\$ 0.01</b>	<b>\$ (0.06)</b>
<b>Weighted average number of shares outstanding - basic and diluted (Note 10)</b>	<b>111,768,709</b>	<b>90,858,083</b>	<b>111,630,587</b>	<b>77,122,250</b>

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

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**OLIVE RESOURCE CAPITAL INC.**

Condensed Interim Consolidated Statements of Cash Flows  
(Expressed in Canadian Dollars unless otherwise stated)  
(Unaudited)

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<b>Nine months ended September 30,</b>	<b>2023</b>	<b>2022</b>
<b>Operating activities</b>		
Net income (loss) for the period	\$ 990,108	\$ (4,251,916)
Adjustments for:		
Net (gain) loss on investments (note 3)	(1,504,694)	3,709,982
Loss on conversion of convertible debentures	-	114,045
Accrued interest income	(23,798)	(20,355)
Unrealized foreign exchange loss	-	(7,649)
Stock-based compensation	43,183	96,118
	(495,201)	(359,775)
Changes in non-cash operating capital, public-traded investments, non-public investments and non-public loans and convertible debentures:		
Amounts receivable	(18)	(8,241)
Prepaid expenses	16,201	12,026
Accounts payable and accrued liabilities	(212,559)	(99,939)
Public-traded investments	3,370,189	1,215,685
Non-public investments	(107,000)	-
Non-public loans and convertible debentures	(151,550)	-
<b>Net cash provided by operating activities</b>	<b>2,420,062</b>	<b>759,756</b>
<b>Financing activities</b>		
Share repurchase	(60,530)	-
<b>Net cash used in financing activities</b>	<b>(60,530)</b>	<b>-</b>
<b>Net change in cash and cash equivalents</b>	<b>2,359,532</b>	<b>759,756</b>
<b>Cash and cash equivalents, beginning of period</b>	<b>301,380</b>	<b>291,293</b>
<b>Cash and cash equivalents, end of period</b>	<b>\$ 2,660,912</b>	<b>\$ 1,051,049</b>

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

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**OLIVE RESOURCE CAPITAL INC.**

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity  
(Expressed in Canadian Dollars unless otherwise stated)  
(Unaudited)

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	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
<b>Balance, December 31, 2021</b>	<b>70,140,501</b>	<b>\$ 13,536,152</b>	<b>\$ 272,506</b>	<b>\$ (5,533,601)</b>	<b>\$ 8,275,057</b>
Common shares issued for acquisition of investments(Note 8(b))	30,254,247	2,599,356	-	-	2,599,356
Share-based compensation (Note 9)	-	-	96,118	-	96,118
Expiry of stock options (Note 9)	-	-	(57,001)	57,001	-
Net loss for the period	-	-	-	(4,251,916)	(4,251,916)
<b>Balance, September 30, 2022</b>	<b>100,394,748</b>	<b>\$ 16,135,508</b>	<b>\$ 311,623</b>	<b>\$ (9,728,516)</b>	<b>\$ 6,718,615</b>
<b>Balance, December 31, 2022</b>	<b>110,768,709</b>	<b>\$ 15,208,812</b>	<b>\$ 328,053</b>	<b>\$ (9,230,166)</b>	<b>\$ 6,306,699</b>
Share repurchase (note 8)	-	(274,605)	-	214,075	(60,530)
Shares issued in settlement of accrued liability (note 6)	1,000,000	35,000	-	-	35,000
Share-based compensation (Note 9)	-	-	43,183	-	43,183
Net income for the period	-	-	-	990,108	990,108
<b>Balance, September 30, 2023</b>	<b>111,768,709</b>	<b>\$ 14,969,207</b>	<b>\$ 371,236</b>	<b>\$ (8,025,983)</b>	<b>\$ 7,314,460</b>

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

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# **OLIVE RESOURCE CAPITAL INC.**

## **Notes to Condensed Interim Consolidated Financial Statements**

**September 30, 2023**

**(Expressed in Canadian Dollars unless otherwise stated)**

**(Unaudited)**

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### **1. Nature of Operations**

Olive Resource Capital Inc. ("Olive" or the "Company") operates as a publicly traded resource investment company focused on investment opportunities in the junior resource sector. Currently, the Company actively manages a portfolio of three core investee companies providing Olive with precious and base metal pre-production exposure as well as pre-production exposure to the US agricultural sector. The Company is a publicly listed company incorporated under the Canada Business Corporations Act. The Company's shares are listed on the TSX Venture Exchange. The Company's head office is located at 82 Richmond St. East, Toronto, Ontario, M5C 1P1. Effective December 30, 2021, the Company completed a vertical amalgamation with its wholly owned subsidiary, Olive Resource Capital Inc. On January 13, 2022, the Company's name was changed from Norvista Capital Corporation to Olive Resource Capital Inc. The Company's stock symbol on the TSX Venture Exchange was also changed to "OC".

### **2. Significant Accounting Policies**

#### **Statement of compliance**

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited condensed consolidated interim financial statements are based on IFRS issued and outstanding as of November 27, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed consolidated interim financial statements as compared with the most recent annual financial statements as at and for the year ended December 31, 2022, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual financial statements for the year ending December 31, 2023 could result in restatement of these unaudited condensed consolidated interim financial statements.

#### **Recent accounting pronouncements**

Certain new accounting standards and interpretations have been published that are not mandatory for the current period and have not been early adopted. These standards are not expected to have a material impact on the Company in the current and future reporting periods.

## OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements  
September 30, 2023  
(Expressed in Canadian Dollars unless otherwise stated)  
(Unaudited)

### 3. Investments

#### (a) Public-traded investments

	As at December 31, 2022			Transactions during the nine months ended September 30, 2023			As at September 30, 2023		
	Cost	Cumulative Unrealized Gain (Loss)	Fair Value	Acquisition cost (Proceeds on Disposition)	Realized Gain (Loss)	Change in unrealized Gain (Loss)	Fair value	Securities Held	Cost
Nevada Zinc Corporation ("Nevada Zinc") <sup>(2)</sup>	\$ 2,569,839	\$ (1,759,686)	\$ 810,153	\$ (198)	\$ 23	\$ (270,026)	\$ 539,952	17,998,406	\$ 2,569,664
Minera Alamos Inc. ("Minera Alamos") shares	61,206	409,594	470,800	(400,244)	339,038	(409,594)	-	-	-
Rockcliff Metals Corporation ("Rockcliff") shares	9,619,544	(7,963,186)	1,656,358	(3,815,299)	(5,804,245)	7,963,186	-	-	-
Other investments in public companies <sup>(1)</sup>	1,495,334	(230,357)	1,264,977	845,552	(245,983)	(991)	1,863,555	9,754,816	2,094,903
	\$ 13,745,923	\$ (9,543,635)	\$ 4,202,288	\$ 3,370,189	\$ 5,711,167	\$ 7,282,575	\$ 2,403,507		\$ 4,664,567

<sup>(1)</sup> The Company holds numerous smaller investments in public companies. These investments are presented in aggregated format.

<sup>(2)</sup> The Company owns more than 10% of the voting rights attached to the outstanding voting securities of Nevada Zinc. This may limit the Company's ability to monetize or dispose of the securities of Nevada Zinc.

# OLIVE RESOURCE CAPITAL INC.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2023

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

### 3. Investments (continued)

#### (a) Public-traded investments (continued)

	As at December 31, 2021			Transactions during the year ended December 31, 2022				As at December 31, 2022		
	Cost	Cumulative Unrealized Gain (Loss)	Fair Value	Acquisition cost (Proceeds on Disposition)	Realized Gain (Loss)	Change in unrealized Gain (Loss)	Foreign exchange	Fair value	Securities Held	Cost
Nevada Zinc Corporation ("Nevada Zinc") <sup>(2)</sup>	\$ 2,350,851	\$ (1,521,171)	\$ 829,680	\$ 218,988	\$ -	\$ (238,515)	\$ -	\$ 810,153	18,003,406	\$ 2,569,839
Minera Alamos Inc. ("Minera Alamos") shares	153,130	1,292,450	1,445,580	(891,569)	799,645	(882,856)	-	470,800	1,070,000	61,206
Rockcliff Metals Corporation ("Rockcliff") shares	9,433,388	(4,362,801)	5,070,587	186,156	-	(3,600,385)	-	1,656,358	82,817,905	9,619,544
Other investments in public companies <sup>(1)</sup>	1,006,458	138,172	1,144,630	442,579	45,912	(368,519)	375	1,264,977	9,856,548	1,495,334
	\$ 12,943,827	\$ (4,453,350)	\$ 8,490,477	\$ (43,846)	\$ 845,557	\$ (5,090,275)	\$ 375	\$ 4,202,288		\$ 13,745,923

<sup>(1)</sup> The Company holds numerous smaller investments in public companies. These investments are presented in aggregated format.

<sup>(2)</sup> The Company owns more than 10% of the voting rights attached to the outstanding voting securities of Nevada Zinc. This may limit the Company's ability to monetize or dispose of the securities of Nevada Zinc.



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**OLIVE RESOURCE CAPITAL INC.****Notes to Condensed Interim Consolidated Financial Statements****September 30, 2023****(Expressed in Canadian Dollars unless otherwise stated)****(Unaudited)**

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**3. Investments (continued)****(b) Non-public Equity Investments**

	<b>Transactions during the nine months ended</b>								
	<b>As at December 31, 2022</b>			<b>September 30, 2023</b>			<b>As at September 30, 2023</b>		
	<b>Cost</b>	<b>Cumulative Unrealized Gain</b>	<b>Fair Value</b>	<b>Purchase</b>	<b>Realized Gain (Loss)</b>	<b>Change in Unrealized (loss)</b>	<b>Fair Value</b>	<b>Securities Held</b>	<b>Cost</b>
Other non-public investment	\$ 616,263	\$ 16,604	\$ 632,867	\$596,692	\$ (20,196)	\$ (378,456)	\$ 830,907	5,853,059	\$1,192,759

	<b>Transactions during the year ended</b>								
	<b>As at December 31, 2021</b>			<b>December 31, 2022</b>			<b>As at December 31, 2022</b>		
	<b>Cost</b>	<b>Cumulative Unrealized Gain</b>	<b>Fair Value</b>	<b>Purchase</b>	<b>Realized Gain (Loss)</b>	<b>Change in Unrealized gain</b>	<b>Fair Value</b>	<b>Securities Held</b>	<b>Cost</b>
Other non-public investment	\$ 334,801	\$ (281,012)	\$ 53,789	\$566,263	\$ -	\$ 12,815	\$ 632,867	3,307,133	\$616,263

# OLIVE RESOURCE CAPITAL INC.

## Notes to Condensed Interim Consolidated Financial Statements

September 30, 2023

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

### 3. Investments (continued)

#### (c) Non-public loans and convertible debentures

	As at December 31, 2022			Transactions during the nine months ended September 30, 2023				As at September 30, 2023		
	Cost	Cumulative Unrealized Gain	Fair Value	Acquisition costs (Proceeds on Disposition)	Realized gain (loss)	Interest income	unrealized gain	Fair Value	Securities Held	cost
Non-public investments in loans and convertible debentures	\$1,427,989	\$ 61,800	\$1,489,789	\$ (338,142)	\$ 362,126	\$ 23,798	\$ (30,188)	\$1,507,383	1,013,750	\$1,451,973

	As at December 31, 2021			Transactions during the year ended December 31, 2022				As at December 31, 2022			
	Cost	Cumulative Unrealized Gain	Fair Value	Purchases	Conversion of convertible debentures	Loss on conversion	Interest income	unrealized gain	Fair Value	Securities Held	Cost
Non-public investments in loans and convertible debentures	\$ -	\$ -	\$ -	\$1,617,364	\$ (76,424)	\$ (114,045)	\$ 44,276	\$ 18,618	\$1,489,789	2,398,750	\$1,427,989

# OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2023

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

## 3. Investments (continued)

### (d) Total investments

	As at December 31, 2022			Transactions during the nine months ended September 30, 2023				As at September 30, 2023
	Cost	Cumulative Unrealized Gain (loss)	Fair Value	Net purchase (disposition)	Realized Gain	Interest income	Net Unrealized Gain (loss)	Fair Value
<b>Public investments</b>	\$ 13,745,923	\$ (9,543,635)	\$ 4,202,288	\$ (3,370,189)	\$ (5,711,167)	\$ -	\$ 7,282,575	\$ 2,403,507
<b>Non-public equity</b>								
<b>investments</b>	616,263	16,604	632,867	596,692	(20,196)	-	(378,456)	830,907
<b>Non-public investments in loans and convertible debentures</b>	1,427,989	61,800	1,489,789	(338,142)	362,126	23,798	(30,188)	1,507,383
	<b>\$ 15,790,175</b>	<b>\$ (9,465,231)</b>	<b>\$ 6,324,944</b>	<b>\$ (3,111,639)</b>	<b>\$ (5,369,237)</b>	<b>\$ 23,798</b>	<b>\$ 6,873,931</b>	<b>\$ 4,741,797</b>

## OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements

September 30, 2023

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

### 3. Investments (continued)

#### (d) Total investments (continued)

	As at December 31, 2021				Transactions during the year ended December 31, 2022					As at December 31, 2022	
	Cost	Cumulative Unrealized Gain (loss)	Fair Value	Net purchase (disposition)	Realized Gain	Conversion of convertible debentures	Loss on conversion of convertible debentures	Interest income	Exchange Loss	Net Unrealized Gain (loss)	Fair Value
<b>Public investments</b>	\$ 12,943,827	\$ (4,453,350)	\$ 8,490,477	\$ (43,846)	\$ 845,557	\$ -	\$ -	\$ -	\$ 375	\$ (5,090,275)	\$ 4,202,288
<b>Non-public equity investments</b>	334,801	(281,012)	53,789	566,263	-	-	-	-	-	12,815	632,867
<b>Non-public investments in loans and convertible debentures</b>	-	-	-	1,617,364	-	(76,424)	(114,045)	44,276	-	18,618	1,489,789
	<b>\$ 13,278,628</b>	<b>\$ (4,734,362)</b>	<b>\$ 8,544,266</b>	<b>\$ 2,139,781</b>	<b>\$ 845,557</b>	<b>\$ (76,424)</b>	<b>\$ (114,045)</b>	<b>\$ 44,276</b>	<b>\$ 375</b>	<b>\$ (5,058,842)</b>	<b>\$ 6,324,944</b>

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## **OLIVE RESOURCE CAPITAL INC.**

### **Notes to Condensed Interim Consolidated Financial Statements**

**September 30, 2023**

**(Expressed in Canadian Dollars unless otherwise stated)**

**(Unaudited)**

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#### **4. Restricted Cash**

The Company has a corporate credit card with a major financial institution with an aggregate credit limit of \$25,000. As at September 30, 2023, the financial institution holds \$25,000 in one Guaranteed Investment Certificate (December 31, 2022 - \$25,000) as collateral on the credit card amount as long as the credit card is active. The restricted cash amount would change if there was any change in the credit limit on the card.

#### **5. Norvista Capital I Limited Partnership**

On March 14, 2016, a partnership was formed under the name of Norvista Capital I Limited Partnership (the "LP"). A wholly owned subsidiary of Olive, Norvista Capital General Partner I Ltd., serves as the "General Partner" of the LP and the Company serves as the manager of the LP and provides investment management services to the LP and is responsible for the day-to-day business of the LP. The LP has been created by the Company to avoid concentrated equity ownership in Olive while accommodating institutional investors who want to make private equity investments in the junior resource space and have such investments sourced, structured and managed by Olive. As at September 30, 2023, the General Partner had no partnership units in the LP.

The General Partner is entitled to 0.01% of the net income or net loss of the LP and the LP pays the General Partner an annual management fee equal to 2% of their net asset value, calculated and paid monthly in arrears. During the three and nine months ended September 30, 2023, the General Partner recorded a management fee of \$nil (three and nine months ended September 30, 2022 - \$4,007 and \$17,310, respectively).

On or before the dissolution of the LP or implementation of one of the liquidity alternatives, an incentive bonus will be payable by the LP to the General Partner calculated as 15% of the amount by which the increase in the Net Asset Value from formation until dissolution of the LP exceeds a threshold increase of 10% per annum compounded annually, excluding the effect of distributions to the LP, if any. The one-time performance fee, if any, will be paid within 10 calendar days of the dissolution date of the LP. As at September 30, 2023, no performance fee is expected.

On November 18, 2022, the Company acquired, from three arm's length vendors, all of the limited partnership units of Norvista Capital I LP for 10,373,961 common shares of Olive (the "Transaction").

In accordance with IFRS 3 - Business Combination, the substance of the Transaction is an asset acquisition. The Transaction does not constitute a business combination as the LP did not meet the definition of a business under the standard.

IFRS 2 applies to transactions where an entity grants equity instruments and cannot identify specifically some or all of the goods or services received in return. Because Olive would have issued shares with a value in excess of the value of assets received, IFRS 2 would indicate that the difference is recognized in investments in public companies' shares acquired. The amount assigned to the investment in public companies' shares was \$339,884.

The fair value of the consideration was determined based on fair market value of \$0.03 per share on the acquisition date of November 18, 2022.

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**OLIVE RESOURCE CAPITAL INC.****Notes to Condensed Interim Consolidated Financial Statements****September 30, 2023****(Expressed in Canadian Dollars unless otherwise stated)****(Unaudited)**

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**5. Norvista Capital I Limited Partnership (continued)**

Based on the statement of financial position of the LP at the time of the Transaction, the net assets that were acquired by Olive were \$311,219 as follows:

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<b>Consideration</b>		
Shares	\$	311,219
<b>Total consideration</b>	\$	311,219
<b>Identifiable assets acquired</b>		
Cash	\$	25,296
Amounts Receivable		9,051
Publicly traded Investments		339,884
Accounts payable and accrued liabilities		(63,012)
<b>Net identifiable assets</b>	\$	311,219

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**6. Accounts Payable and Accrued Liabilities**

<b>As at</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Accounts payable	\$ 23,983	\$ 24,949
Accrued liabilities (i)	67,351	313,944
	<b>\$ 91,334</b>	<b>\$ 338,893</b>

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The following is an aged analysis of the accounts payable and accrued liabilities:

<b>As at</b>	<b>September 30, 2023</b>	<b>December 31, 2022</b>
Less than 1 month	\$ 67,231	\$ 336,993
1 to 3 months	94	697
Greater than 3 months	24,009	1,203
	<b>\$ 91,334</b>	<b>\$ 338,893</b>

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(i) During the nine months ended September 30, 2023, the Company settled \$190,000 contingent liabilities with payment of cash of \$150,000 and issuance of 1 million shares of the Company at \$0.035 per share.

## OLIVE RESOURCE CAPITAL INC.

### Notes to Condensed Interim Consolidated Financial Statements

September 30, 2023

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

#### 7. Deferred gain on acquisition of investments

On July 29, 2022, the Company acquired a portfolio of assets from CannalIncome Fund Corporation ("CiF"). The portfolio consists of public equities, private equities, debt, convertible debt and warrants, having a deemed fair value of \$2,599,356. Olive issued 30,254,247 common shares in consideration for the assets, representing a transaction price of \$0.045 per share based on the market value of Olive shares on the date of the acquisition. Of the difference of \$1,237,915 between fair value at initial recognition and transaction price, \$197,629 was related to the investments with fair value evidenced by a quoted price in an active market or based on a valuation technique that uses only data from observable market inputs and was recognized as a gain on day-one in accordance with IFRS 13 Fair Value Measurement. The remaining \$1,040,286 was recognized as a deferred gain on acquisition of investments. During the year ended December 31, 2022, \$1,156,324 of the deferred gain on acquisition of investments was recognized as a gain in the consolidated statements of loss to the extent that it arises from a change in a factor that market participants would take into account when pricing the assets. During the three and nine months ended September 30, 2023, the deferred gain on acquisition of investments remained unchanged. Below is the continuity of the deferred gain on acquisition of investments:

	September 30, 2023	December 31, 2022
<b>Beginning balance</b>	<b>\$ 81,591</b>	<b>\$ -</b>
Additions	-	1,040,286
Recognized as gain	-	(958,695)
<b>Ending balance</b>	<b>\$ 81,591</b>	<b>\$ 81,591</b>

#### 8. Share Capital

##### a) Authorized share capital

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

##### b) Common shares issued

	Number of Common Shares	Amount
<b>Balance - December 31, 2021</b>	<b>70,140,501</b>	<b>\$ 13,536,152</b>
Common shares issued for acquisition of investments (i)	30,254,247	2,599,356
<b>Balance - September 30, 2022</b>	<b>100,394,748</b>	<b>\$ 16,135,508</b>
<b>Balance - December 31, 2022</b>	<b>110,768,709</b>	<b>\$ 15,208,812</b>
Common shares issued in settlement of accrued liability (note 6)	1,000,000	35,000
Share repurchase	-	(274,605)
<b>Balance - September 30, 2023</b>	<b>111,768,709</b>	<b>\$ 14,969,207</b>

# OLIVE RESOURCE CAPITAL INC.

## Notes to Condensed Interim Consolidated Financial Statements

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### 8. Share Capital (continued)

#### b) Common shares issued (continued)

(i) On July 29, 2022, the Company acquired a portfolio of assets from CiF. The portfolio consists of public equities, private equities, debt, convertible debt and warrants, having a deemed value of \$2,599,356. Olive issued 30,254,247 common shares in consideration for the assets, representing a deemed issue price of \$0.045 per share. The Company incurred transaction costs of \$120,719 for the acquisition of assets from CiF recorded in the unaudited condensed interim consolidated statements of loss and comprehensive loss for the three and nine months ended September 30, 2022.

(ii) On December 14, 2022, the Company received approval to undertake, at the Company's discretion, a normal course issuer bid program to purchase up to 10,466,520 of its common shares (the "Bid"). The Bid commenced on December 16, 2022, and will terminate on December 15, 2023, or on an earlier date in the event that the maximum number of common shares sought in the Bid has been repurchased.

During the three and nine months ended September 30, 2023, the Company repurchased 700,000 and 2,000,000 common shares of the Company for cash consideration of \$20,370 and \$60,530 in accordance with the Bid, respectively. The amount by which the repurchased amount was less than the stated capital of the shares has been credited to the deficit.

Subsequent to September 30, 2023, the Company repurchased 200,000 common shares of the Company for cash consideration of \$6,150 in accordance with the Bid (note 15).

### 9. Stock Options

The following table reflects the continuity of stock options for the periods ended September 30, 2023 and 2022:

	Number of Stock Options	Weighted Average Exercise Price
<b>Balance - December 31, 2021</b>	5,550,000	\$ 0.12
Expired	(400,000)	0.13
<b>Balance - September 30, December 31, 2022 and September 30, 2023</b>	<b>5,150,000</b>	<b>\$ 0.12</b>

The following table reflects the actual stock options issued and outstanding as of September 30, 2023:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested	Grant Date Fair Value (\$)
April 27, 2025	0.10	1.58	800,000	800,000	65,626
August 9, 2026	0.13	2.86	4,350,000	3,312,500	327,971
	0.12	2.66	5,150,000	4,112,500	393,597



# OLIVE RESOURCE CAPITAL INC.

## Notes to Condensed Interim Consolidated Financial Statements

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### 9. Stock Options (continued)

(i) On August 9, 2021, the Company granted a total of 4,350,000 stock options to acquire common shares in the capital of the Company at an exercise price of \$0.125 per share which expire on August 9, 2026. The stock options granted to Officers and Directors vest as follows: 25% vest immediately, 25% on the first anniversary date, 25% on second anniversary date, and 25% on the third anniversary date. The options granted to consultants vest immediately. The fair value of the stock options was estimated to be \$327,971 using Black-Scholes option pricing model on the following assumptions: share price of \$0.10, exercise price of \$0.13, risk free interest rate of 0.88%, an expected yield of 0%, an expected life of 5 years and an expected volatility of 108%. During the three and nine months ended September 30, 2023, stock compensation of \$10,858 and \$43,183, respectively (three and nine months ended September 30, 2022 - \$25,003 and \$96,118, respectively) was recorded in the unaudited condensed interim consolidated statements of loss.

### 10. Basic and Diluted Loss per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Weighted average number of common shares outstanding - basic and dilutive	111,768,709	90,858,083	111,630,587	77,122,250

The calculation of basic and diluted income per share for the three and nine months ended September 30, 2023 was based on the net income attributable to common shareholders of \$17,738 and \$990,108, respectively (three and nine months ended September 30, 2022 – net loss of \$1,188,318 and \$4,251,916, respectively) and the weighted average number of common shares outstanding of 111,768,709 and 111,630,587, respectively (three and nine months ended September 30, 2022 – 90,858,083 and 77,122,250, respectively). Diluted income per share for the three and nine months ended September 30, 2023 did not include the effect of 5,150,000 options (2022 – 5,150,000, anti-dilutive) as they were either out-of-the-money or anti-dilutive.

### 11. Related Party Balances and Transactions and Major Shareholders

#### (a) Related party balances and transactions

Related parties include the Board of Directors, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Marrelli Support Services Inc. ("MSSI") (i)	\$ 13,802	\$ 13,032	\$ 55,124	\$ 45,093
Marrelli Trust Company Limited (Marrelli Trust") (ii)	2,107	-	3,633	184
DSA Corporate Services Inc. ("DSA") (iii)	987	1,384	6,093	5,520
Kanaga Capital Corp. ("Kanaga") (iv)	16,950	16,950	50,850	50,850
Celeste Advisors Inc. ("Celeste") (v)	33,900	33,900	101,700	101,700

(i) Fees are related to services of Carmelo Marrelli to act as the Chief Financial Officer ("CFO") of the Company. Carmelo Marrelli is the Managing Director of MSSI. Services were incurred for bookkeeping, accounting and CFO services. As at September 30, 2023, MSSI was owed \$nil (December 31, 2022 - \$2,435) and this amount was included in accounts payable and accrued liabilities. This amount is unsecured and non-interest bearing.

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# OLIVE RESOURCE CAPITAL INC.

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(Unaudited)

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### 11. Related Party Balances and Transactions and Major Shareholders (continued)

#### (a) Related party balances and transactions (continued)

(ii) The CFO of the Company is a director of Marrelli Trust, corporate trustee, transfer agent and registrar to the Company. Fees are related to shareholder, transfer agent and corporate trustee services provided by Marrelli Trust to the Company. As at September 30, 2023, Marrelli Trust was owed \$nil (December 31, 2022 - \$277).

(iii) The CFO of the Company is an officer of DSA. Fees are related to corporate secretarial and filing services provided by DSA. As at September 30, 2023, DSA was owed \$nil (December 31, 2022 - \$nil) and this amount was included in accounts payable and accrued liabilities.

(iv) Consulting fees were paid to Kanaga Capital Corp., a Company controlled by Derek Macpherson, the Executive Chairman of the Company. As at September 30, 2023, Kanaga was owed \$nil (December 31, 2022 - \$nil).

(v) Consulting fees were paid to Celeste Advisors Inc., a Company controlled by Samuel Pelaez, the Chief Executive Officer ("CEO"). As at September 30, 2023, Celeste was owed \$nil (December 31, 2022 - \$nil).

(vi) See Notes 3 and 5.

(vii) As at September 30, 2023, \$29,242 was owed to Olive by Nevada Zinc (December 31, 2022 - \$29,242) and these amounts were included in amounts receivable. This amount is unsecured and non-interest bearing.

#### (b) Remuneration of directors and key management

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Remuneration of directors, the CEO and the CFO of the Company was as follows:

	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2023	2022	2023	2022
Director fees	\$ 11,250	\$ 11,577	\$ 33,750	\$ 42,860
Stock-based compensation (Note 9)	10,858	25,003	43,183	96,118

Please refer to note 11 (a) above for compensation to CEO, CFO and Executive Chairman of the Company.

#### (c) Major shareholders

To the knowledge of the directors and senior officers of the Company, as at June 30 2023, no person or corporation beneficially owns or exercises control over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company. The holding can change at any time at the discretion of the owners.

None of the Company's major shareholders have different voting rights compared to holders of the Company's common shares.

The Company is not aware of any arrangements the operation of which may at a subsequent date result in a change in control of the Company. To the knowledge of the Company, it is not directly or indirectly owned or controlled by another corporation, by any government or by any natural or legal person severally or jointly.

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## OLIVE RESOURCE CAPITAL INC.

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#### 12. Capital Disclosure

The Company considers its capital to consist of share capital, contributed surplus, and deficit. The Company's objectives when managing capital are: (a) to allow the Company to respond to changes in economic and/or marketplace conditions by maintaining the Company's ability to purchase new investments; (b) to give shareholders sustained growth in value by increasing shareholders' equity; while (c) taking a conservative approach towards management of financial risks.

The Company's management reviews its capital structure on an on-going basis and makes adjustments to it in light of changes in economic conditions and the risk characteristics of its underlying investments. The Company's current capital is composed of its shareholders' equity and, to-date, has adjusted or maintained its level of capital by: (a) raising capital through equity financings; and (b) realizing proceeds from the disposition of its investments.

The Company is not subject to any capital requirements imposed by a lending institution or regulatory body, other than Policy 2.5 of the TSX Venture Exchange which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of September 30, 2023, management believes it is compliant with known requirements. The Company expects that its capital resources will be sufficient to discharge its liabilities as of the current statement of financial position date.

#### 13. Fair Value Measurements

##### Fair value of financial instruments

The Company has determined the carrying values of its financial instruments as follows:

- i. The carrying values of cash and cash equivalents, amounts receivable and accounts payable and accrued liabilities approximate their fair values due to the short-term nature of these instruments.
- ii. Public investments and non-public investments are carried at amounts in accordance with the Company's accounting policy as set out in Note 2 to the consolidated financial statements for the years ended December 31, 2022 and 2021

There were no transfers to or from level 3 of the fair value hierarchy during the three and nine months ended September 30, 2023.

The following tables illustrate the classification and hierarchy of the Company's financial instruments, measured at fair value in the statements of financial position as at September 30, 2023 and December 31, 2022:

##### As at September 30, 2023 - (Investments, at fair value)

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Aggregate Fair Value
Publicly traded investments	\$ 2,403,507	\$ -	\$ -	\$ 2,403,507
Non-public investments	-	-	830,907	830,907
Investments in loans and convertible debentures	-	-	1,507,383	1,507,383

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## OLIVE RESOURCE CAPITAL INC.

### Notes to Condensed Interim Consolidated Financial Statements

September 30, 2023

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#### 13. Fair Value Measurements (Continued)

##### Fair value of financial instruments (continued)

As at December 31, 2022 - (Investments, at fair value)

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Aggregate Fair Value
Publicly traded investments	\$ 4,202,288	\$ -	\$ -	\$ 4,202,288
Non-public investments	-	-	632,867	632,867
Investments in loans and convertible debentures	-	-	1,489,789	1,489,789

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##### Level 3 hierarchy:

The following table presents the changes in fair value measurements of financial instruments classified as Level 3. These financial instruments are measured at fair value utilizing non-observable market inputs. The net change in unrealized gains is recognized in the statements of loss.

##### Non-public investments:

Investment at fair value	Opening balance at January 1	Purchases	Net gain (loss)	Ending balance
September 30, 2023	\$ 632,867	\$ 596,692	\$ (398,652)	\$ 830,907
December 31, 2022	\$ 53,789	\$ 566,263	\$ 12,815	\$ 632,867

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##### Investments in loans and convertible debentures:

Investment at fair value	Opening balance at January 1	Purchases	Conversion of convertible debentures	Realized gain (loss) on	Interest income	Unrealized loss	Ending balance
September 30, 2023	\$ 1,489,789	\$ 920,781	\$(1,258,923)	\$ 362,126	\$ 23,798	\$ (30,188)	\$ 1,507,383
December 31, 2022	\$ -	\$ 1,617,364	\$ (76,424)	\$ (114,045)	\$ 44,276	\$ 18,618	\$ 1,489,789

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Within Level 3, the Company includes non-public company investments and investments in convertible debentures. The key assumptions used in the valuation of these instruments include (but are not limited to) the value at which a recent financing was done by the investee, company-specific information, trends in general market conditions, the marketability of the shares and subsequent transactions.

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## OLIVE RESOURCE CAPITAL INC.

### Notes to Condensed Interim Consolidated Financial Statements

September 30, 2023

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#### 13. Fair Value Measurements (Continued)

##### Level 3 hierarchy (continued):

The following table presents the fair value, categorized by key valuation techniques and the unobservable inputs used within Level 3 as at:

**September 30, 2023**

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<b>Investment name</b>	<b>Valuation technique</b>	<b>Fair value</b>	<b>Unobservable inputs</b>
Non-public investments	Recent financing approach	\$ 830,907	Transaction price
Investment in loans and convertible debentures	Recent financing approach	1,507,383	Transaction price

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As the valuation of investments for which market quotations are not readily available and are inherently uncertain, the values may fluctuate materially within short periods of time and are based on estimates, and determinations of fair value may differ materially from values that would have resulted if a ready market existed for the investments.

For those investments valued based on a transaction price, management has determined that there are no reasonably possible alternative assumptions that would change the fair value significantly as at September 30, 2023. A 10% decrease (increase) on the fair value of these investments will result in a corresponding decrease (increase) of approximately \$234,000 in the total fair value of the investments. The Company has applied a marketability discount of 0% to its non-public investments valued based on recent financing. Had the Company applied a marketability discount of 5% it would have resulted in a corresponding decrease of approximately \$117,000 in the total fair value of the investments. While this illustrates the overall effect of changing the values of the unobservable inputs by a set percentage, the significance of the impact and the range of reasonably possible alternative assumptions may differ significantly between investments, given their different terms and circumstances.

The sensitivity analysis is intended to reflect the uncertainty inherent in the valuation of these investments under current market conditions, and its results cannot be extrapolated due to non-linear effects that changes in valuation assumptions may have on the fair value of these investments. Furthermore, the analysis does not indicate a probability of such changes occurring and it does not necessarily represent the Company's view of expected future changes in the fair value of these investments. Any management actions that may be taken to mitigate the inherent risks are not reflected in this analysis.

#### 14. Commitments and contingencies

From time to time, the Company may be named as a party to claims or involved in proceedings, including legal, regulatory and tax related, in the ordinary course of its business. While the outcome of these matters may not be estimable at period end, the Company makes provisions, where possible, for the estimated outcome of such claims or proceedings. Should a loss result from the resolution of any claims or proceedings that differs from these estimates, the difference will be accounted for as a charge to net income (loss) in that period. As at September 30, 2023, the Company does not have any outstanding claims against it.

#### 15. Subsequent event

Subsequent to September 30, 2023, the Company repurchased 200,000 common shares of the Company for cash consideration of \$6,150 in accordance with the Bid.