
OLIVE RESOURCE CAPITAL INC.
CONDENSED INTERIM CONSOLIDATED FINANCIAL
STATEMENTS
FOR THE THREE MONTHS ENDED
MARCH 31, 2024
(EXPRESSED IN CANADIAN DOLLARS UNLESS OTHERWISE STATED)
(UNAUDITED)

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.

OLIVE RESOURCE CAPITAL INC.

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

	March 31, 2024	December 31, 2023
ASSETS		
Cash	\$ 1,209,031	\$ 1,761,919
Amounts receivable	8,176	8,176
Publicly traded investments (Note 3(a))	3,164,753	2,884,159
Non-public loans and convertible debentures (Note 3(c))	1,499,612	1,527,573
Prepaid expenses	33,817	39,523
Restricted cash (Note 4)	25,000	25,000
Non-public investments (Note 3(b))	852,790	881,907
Total assets	\$ 6,793,179	\$ 7,128,257
LIABILITIES AND EQUITY		
Liabilities		
Accounts payable and accrued liabilities (Notes 5 and 10)	\$ 131,867	\$ 76,729
Deferred gain on acquisition of investments (Note 6)	81,591	81,591
Total liabilities	213,458	158,320
Shareholders' equity		
Share capital (Note 7)	15,159,287	15,172,132
Contributed surplus (Note 8)	410,531	397,351
Deficit	(8,990,097)	(8,599,546)
Total shareholders' equity	6,579,721	6,969,937
Total liabilities and shareholders' equity	\$ 6,793,179	\$ 7,128,257

Nature of Operations (Note 1)

Commitments and Contingencies (Note 13)

Subsequent event (Note 14)

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.

OLIVE RESOURCE CAPITAL INC.

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

Three Months Ended March 31,	2024	2023
Revenues		
Realized gain on investments (Note 3)	\$ 714	\$ 161,323
Unrealized (loss) gain on investments (Note 3)	(295,877)	826,678
Interest and dividend income	72,779	31,975
Total revenues	(222,384)	1,019,976
Operating expenses		
Salaries and benefits (Note 10(b))	11,592	14,297
Professional fees (Note 10(a)(i)(ii)(iii)(iv)(v))	88,916	124,532
Shareholder information	13,565	12,574
General and administrative	45,860	21,671
Investor relations	5,085	5,085
Stock-based compensation (Notes 8 and 10(b))	13,180	16,073
Foreign exchange gain	(10,031)	-
Total operating expenses	168,167	194,232
(Loss) income for the period	\$ (390,551)	\$ 825,744
Basic and diluted net (loss) income per share (Note 9)	\$ (0.00)	\$ 0.01
Weighted average number of shares outstanding - basic and diluted (Note 9)	109,174,709	111,490,931

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

OLIVE RESOURCE CAPITAL INC.**Condensed Interim Consolidated Statements of Changes in Shareholders' Equity****(Expressed in Canadian Dollars unless otherwise stated)****(Unaudited)**

	Number of Shares	Share Capital	Contributed Surplus	Deficit	Total
Balance, December 31, 2022	110,768,709	\$ 15,208,812	\$ 328,053	\$ (9,230,166)	\$ 6,306,699
Share repurchase (note 7)	-	(9,860)	-	-	(9,860)
Shares issued in settlement of accrued liability (note 5)	1,000,000	40,000	-	-	40,000
Share-based compensation (Note 8)	-	-	16,073	-	16,073
Net income for the period	-	-	-	825,744	825,744
Balance, March 31, 2023	111,768,709	\$ 15,238,952	\$ 344,126	\$ (8,404,422)	\$ 7,178,656
Balance, December 31, 2023	109,174,709	\$ 15,172,132	\$ 397,351	\$ (8,599,546)	\$ 6,969,937
Share repurchase (note 7)	-	(12,845)	-	-	(12,845)
Share-based compensation (Note 8)	-	-	13,180	-	13,180
Net loss for the period	-	-	-	(390,551)	(390,551)
Balance, March 31, 2024	109,174,709	\$ 15,159,287	\$ 410,531	\$ (8,990,097)	\$ 6,579,721

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

OLIVE RESOURCE CAPITAL INC.

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

Three Months Ended March 31,	2024	2023
Operating activities		
Net (loss) income for the period	\$ (390,551)	\$ 825,744
Adjustments for:		
Net loss (gain) on investments (note 3)	295,163	(988,001)
Accrued interest income	(23,644)	(24,322)
Stock-based compensation	13,180	16,073
	(105,852)	(170,506)
Changes in non-cash operating capital, public-traded investments, non-public investments and non-public loans and convertible debentures:		
Prepaid expenses	5,706	5,340
Accounts payable and accrued liabilities	55,139	(183,076)
Public-traded investments	(495,036)	518,314
Non-public investments	-	(15,000)
Net cash (used in) provided by operating activities	(540,043)	155,072
Financing activities		
Share repurchase	(12,845)	(9,680)
Net cash used in financing activities	(12,845)	(9,680)
Net change in cash and cash equivalents	(552,888)	145,392
Cash and cash equivalents, beginning of period	1,761,919	301,380
Cash and cash equivalents, end of period	\$ 1,209,031	\$ 446,772

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

OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2024

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

1. Nature of Operations

Olive Resource Capital Inc. ("Olive" or the "Company") is a resource-focused merchant bank and investment company with a portfolio of publicly listed and private securities. The Company's assets consist primarily of investments in natural resource companies in all stages of development. 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.

2. Material 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 May 28, 2024, 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, 2023, 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, 2024 could result in restatement of these unaudited condensed consolidated interim financial statements.

New accounting standard adopted

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2024 and had no significant impact on the unaudited condensed interim consolidated financial statements as a result of its adoption.

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

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

(a) Public-traded investments

	As at December 31, 2023			Transactions during the three months ended March 31, 2024			As at March 31, 2024		
	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") ⁽²⁾	\$ 2,569,664	\$ (2,119,704)	\$ 449,960	\$ -	\$ -	\$ (449,960)	\$ -	17,998,406	\$ 2,569,839
Other investments in public companies ⁽¹⁾	2,586,881	(152,682)	2,434,199	546,036	714	183,804	3,164,753	12,446,004	3,133,631
	\$ 5,156,545	\$ (2,272,386)	\$ 2,884,159	\$ 546,036	\$ 714	\$ (266,156)	\$ 3,164,753		\$ 5,703,470

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

⁽²⁾ 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

March 31, 2024

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

3. Investments

(a) Public-traded investments (continued)

	As at December 31, 2022			Transactions during the year ended December 31, 2023			As at December 31, 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") ⁽²⁾	\$ 2,569,839	\$ (1,759,686)	\$ 810,153	\$ (198)	\$ 23	\$ (360,018)	\$ 449,960	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 ⁽¹⁾	1,495,334	(230,357)	1,264,977	1,512,043	(420,496)	77,675	2,434,199	11,428,658	2,586,881
	\$ 13,745,923	\$ (9,543,635)	\$ 4,202,288	\$ 2,703,698	\$ (5,885,680)	\$ 7,271,249	\$ 2,884,159		\$ 5,156,545

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

⁽²⁾ 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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Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

3. Investments (continued)

(b) Non-public Equity Investments

	Transactions during the								
	As at December 31, 2023			three months ended March 31, 2024			As at March 31, 2024		
	Cost	Cumulative Unrealized Gain	Fair Value	Transfer to public investments	Interest income in shares	Change in Unrealized gain (loss)	Fair Value	Securities Held	Cost
Other non-public investment	\$1,243,759	\$ (361,852)	\$ 881,907	\$ (51,000)	\$ 21,883	\$ -	\$ 852,790	5,993,176	\$1,214,642

	Transactions during the								
	As at December 31, 2022			year ended December 31, 2023			As at December 31, 2023		
	Cost	Cumulative Unrealized Gain	Fair Value	Purchase	Realized Gain (Loss)	Change in Unrealized (loss)	Fair Value	Securities Held	Cost
Other non-public investment	\$ 616,263	\$ 16,604	\$ 632,867	\$647,692	\$ (20,196)	\$ (378,456)	\$ 881,907	5,853,059	\$1,243,759

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Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

3. Investments (continued)

(c) Non-public loans and convertible debentures

	As at December 31, 2023			Transactions during the three months ended March 31, 2024			As at March 31, 2024		
	Cost	Cumulative Unrealized Gain	Fair Value	Interest income	unrealized gain	Fair Value	Securities Held	Cost	
Non-public investments in loans and convertible debentures	\$1,466,973	\$ 60,600	\$1,527,573	\$ 1,760	\$ (29,721)	\$1,499,612	1,028,750	\$1,466,973	

	As at December 31, 2022			Transactions during the year ended December 31, 2023				As at December 31, 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	\$ (323,142)	\$ 362,126	\$ 36,071	\$ (37,271)	\$1,527,573	1,028,750	\$1,466,973

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Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

3. Investments (continued)

(d) Total investments

	As at December 31, 2023				Transactions during the three months ended March 31, 2024				As at March 31, 2024	
	Cost	Cumulative Unrealized Gain (loss)	Fair Value	Net purchase (disposition)	Realized Gain	Interest income in shares	Transfer to public investment	Interest income	Net Unrealized Gain (loss)	Fair Value
Public investments	\$ 5,156,545	\$ (2,272,386)	\$ 2,884,159	\$ 546,036	\$ 714	\$ -	\$ -	\$ -	\$ (266,156)	\$ 3,164,753
Non-public equity investments	1,243,759	(361,852)	881,907	-	-	21,883	(51,000)	-	-	852,790
Non-public investments in loans and convertible debentures	1,466,973	60,600	1,527,573	-	-	-	-	1,760	(29,721)	1,499,612
	\$ 7,867,277	\$ (2,573,638)	\$ 5,293,639	\$ 546,036	\$ 714	\$ 21,883	\$ (51,000)	\$ 1,760	\$ (295,877)	\$ 5,517,155

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Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

3. Investments (continued)

(d) Total investments (continued)

	As at December 31, 2022			Transactions during the year ended December 31, 2023				As at December 31, 2023
	Cost	Cumulative Unrealized Gain (loss)	Fair Value	Net purchase (disposition)	Realized Gain	Interest income	Net Unrealized Gain (loss)	Fair Value
Public investments	\$ 13,745,923	\$ (9,543,635)	\$ 4,202,288	\$ (2,703,698)	\$ (5,885,680)	\$ -	\$ 7,271,249	\$ 2,884,159
Non-public equity investments	616,263	16,604	632,867	647,692	(20,196)	-	(378,456)	881,907
Non-public investments in loans and convertible debentures	1,427,989	61,800	1,489,789	(323,142)	362,126	36,071	(37,271)	1,527,573
	\$ 15,790,175	\$ (9,465,231)	\$ 6,324,944	\$ (2,379,148)	\$ (5,543,750)	\$ 36,071	\$ 6,855,522	\$ 5,293,639

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Notes to Condensed Interim Consolidated Financial Statements

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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 March 31, 2024, the financial institution holds \$25,000 in one Guaranteed Investment Certificate (December 31, 2023 - \$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. Accounts Payable and Accrued Liabilities

As at	March 31, 2024	December 31, 2023
Accounts payable	\$ 46,632	\$ 497
Accrued liabilities (i)	85,235	76,232
	\$ 131,867	\$ 76,729

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

As at	March 31, 2024	December 31, 2023
Less than 1 month	\$ 122,088	\$ 76,232
1 to 3 months	6,915	-
Greater than 3 months	2,864	497
	\$ 131,867	\$ 76,729

(i) During the year ended December 31, 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 \$0.04 per share.

6. 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 months ended March 31, 2024, the deferred gain on acquisition of investments remained unchanged. Below is the continuity of the deferred gain on acquisition of investments:

OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2024

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

6. Deferred gain on acquisition of investments (continued)

	March 31, 2024	December 31, 2023
Beginning balance	\$ 81,591	\$ 81,591
Ending balance	\$ 81,591	\$ 81,591

7. 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
Balance - December 31, 2022	110,768,709	\$ 15,208,812
Common shares issued in settlement of accrued liability (note 5)	1,000,000	40,000
Share repurchase (i)	-	(9,860)
Balance - March 31, 2023	111,768,709	\$ 15,238,952
Balance - December 31, 2023	109,174,709	\$ 15,172,132
Share repurchase (i)	-	(12,845)
Balance - March 31, 2024	109,174,709	\$ 15,159,287

(i) 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 2022"). The Bid 2022 commenced on December 16, 2022, and terminated in December, 2023. On January 15, 2024, the Company received approval to undertake a new normal course issued bid program to purchase up to 10,153,620 of its common shares (the "Bid 2024"). The Bid 2024 commenced on January 18, 2024, and will terminate on January 17, 2025, 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 months ended March 31, 2023, the Company repurchased 300,000 common shares of the Company for cash consideration of \$9,860 in accordance with the Bid 2022.

During the three months ended March 31, 2024, the Company repurchased 500,000 common shares of the Company for cash consideration of \$12,845 in accordance with the Bid 2024.

OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

8. Stock Options

The following table reflects the continuity of stock options for the periods ended March 31, 2024 and 2023:

	Number of Stock Options	Weighted Average Exercise Price
Balance - December 31, 2022 and March 31, 2023	5,150,000	\$ 0.12
Granted	2,500,000	0.05
Balance - December 31, 2023 and March 31, 2024	7,650,000	\$ 0.08

The following table reflects the actual stock options issued and outstanding as of March 31, 2024:

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	1.07	800,000	800,000	65,626
August 9, 2026	0.13	2.36	4,350,000	3,312,500	327,971
November 27, 2028	0.05	4.66	2,500,000	700,000	60,883
	0.08	2.98	7,650,000	4,812,500	454,480

(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 months ended March 31, 2024, stock compensation of \$6,501 (three months ended March 31, 2023 - \$16,073) was recorded in the unaudited condensed interim consolidated statements of income (loss).

(ii) On November 27, 2023, the Company granted a total of 2,500,000 stock options to acquire common shares in the capital of the Company at an exercise price of \$0.05 per share which expire on November 27, 2028. 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 \$60,883 using Black-Scholes option pricing model on the following assumptions: share price of \$0.03, exercise price of \$0.05, risk free interest rate of 3.76%, an expected yield of 0%, an expected life of 5 years and an expected volatility of 125%. During the three months ended March 31, 2024, stock compensation of \$6,679 (three months ended March 31, 2023 - \$nil) was recorded in the unaudited condensed interim consolidated statements of income (loss).

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

9. Basic and Diluted Loss per Share

Three Months Ended March 31,	2024	2023
Weighted average number of common shares outstanding - basic and dilutive	109,174,709	111,490,931

The calculation of basic and diluted income per share for the three months ended March 31, 2024 was based on the net loss attributable to common shareholders of \$390,551 (three months ended March 31, 2023 – net income of \$825,744) and the weighted average number of common shares outstanding of 109,174,709 (three months ended March 31, 2023 – 111,490,931). Diluted income per share for the three months ended March 31, 2024 did not include the effect of 7,650,000 options (three months ended March 31, 2023 – 5,150,000, anti-dilutive) as they were either anti-dilutive or out-of-the-money.

10. 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 March 31,	2024	2023
Marrelli Support Services Inc. ("MSSI") (i)	\$ 19,721	\$ 23,744
Marrelli Trust Company Limited (Marrelli Trust") (ii)	740	695
DSA Corporate Services Inc. ("DSA") (iii)	1,432	345
Kanaga Capital Corp. ("Kanaga") (iv)	15,000	15,000
Celeste Advisors Inc. ("Celeste") (v)	30,000	30,000

(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 March 31, 2024, MSSI was owed \$8,937 (December 31, 2023 - \$nil) and this amount was included in accounts payable and accrued liabilities. This amount is unsecured and non-interest bearing.

(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 March 31, 2024, Marrelli Trust was owed \$740 (December 31, 2023 - \$nil). This amount is unsecured and non-interest bearing.

(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 March 31, 2024, DSA was owed \$293 (December 31, 2023 - \$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 March 31, 2024, Kanaga was owed \$5,650 (December 31, 2023 - \$nil).

(v) Consulting fees were paid to Celeste Advisors Inc., a Company controlled by Samuel Pelaez, the Chief Executive Officer ("CEO"). As at March 31, 2024, Celeste was owed \$11,633 (December 31, 2023 - \$nil).

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(Expressed in Canadian Dollars unless otherwise stated)

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10. Related Party Balances and Transactions and Major Shareholders (continued)

(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 March 31,	2024	2023
Director fees	\$ 11,250	\$ 11,250
Stock-based compensation (Note 8)	13,180	16,073

Please refer to note 10 (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 March 31, 2024, 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.

11. 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 March 31, 2024, 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.

OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements

March 31, 2024

(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

12. 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, 2023 and 2022

There were no transfers to or from level 3 of the fair value hierarchy during the year ended December 31, 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 March 31, 2024 and December 31, 2023:

As at March 31, 2024 - (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	\$ 3,164,753	\$ -	\$ -	\$ 3,164,753
Non-public investments	-	-	852,790	852,790
Investments in loans and convertible debentures	-	-	1,499,612	1,499,612

As at December 31, 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	\$ 2,884,159	\$ -	\$ -	\$ 2,884,159
Non-public investments	-	-	881,907	881,907
Investments in loans and convertible debentures	-	-	1,527,573	1,527,573

OLIVE RESOURCE CAPITAL INC.

Notes to Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

12. Fair Value Measurements (Continued)

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	Purchase	Net loss	Transfer to public investment	Interest income in shares	Ending balance
March 31, 2024	\$ 881,907	\$ -	\$ -	(51,000)	21,883	\$ 852,790
December 31, 2023	\$ 632,867	\$ 647,692	\$ (398,652)	-	-	\$ 881,907

Investments in loans and convertible debentures:

Investment at fair value	Opening balance at January 1	Purchases	Conversion of convertible debentures	Realized gain (loss)	Interest income	Unrealized loss	Ending balance
March 31, 2024	\$ 1,527,573	\$ -	\$ -	\$ -	\$ 1,760	\$ (29,721)	\$ 1,499,612
December 31, 2023	\$ 1,489,789	\$ 935,781	\$ 1,258,923	\$ 362,126	\$ 36,071	\$ (37,271)	\$ 1,527,573

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.

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

March 31, 2024

Investment name	Valuation technique	Fair value	Unobservable inputs
Non-public investments	Recent financing approach	\$ 852,790	Transaction price
Investment in loans and convertible debentures	Recent financing approach	1,499,612	Transaction price

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(Expressed in Canadian Dollars unless otherwise stated)

(Unaudited)

12. Fair Value Measurements (Continued)

Level 3 hierarchy (continued):

December 31, 2023

Investment name	Valuation technique	Fair value	Unobservable inputs
Non-public equities and warrants	Recent financing approach	\$ 881,907	Transaction price
Investment in loans and convertible debentures	Recent financing approach	1,527,573	Transaction price

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 March 31, 2024. A 10% decrease (increase) on the fair value of these investments will result in a corresponding decrease (increase) of approximately \$235,000 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 \$118,000 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.

13. 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 March 31, 2024, the Company does not have any outstanding claims against it.

14. Subsequent event

The Company has elected to reduce the carrying value of its equity investment in Nevada Zinc to zero because Nevada Zinc has received a Cease Trade Order for failing to file its year-end 2023 audited financials. The Nevada Zinc stock has been halted since May 8, 2024. Nevada Zinc has a substantial working capital deficit and there is no clear path to rectify the situation. Olive made multiple offers to inject new capital into Nevada Zinc over the last year, none of which were accepted.