

Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Atacama Resources International, Inc.

A Florida corporation
1317 Edgewater Drive Suite 2510, Orlando, FL 32804

<https://acrlintl.com>

780-512-3805

SIC: 212221

QUARTERLY REPORT

For the Period Ending: June 30, 2023

Outstanding Shares

The number of shares outstanding of our Common Stock was:

1,118,252,435 as of **June 30, 2023**.

1,054,752,435 as of **December 31, 2022**.

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934.):

Yes: No:

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control⁵ of the company has occurred over this reporting period:

Yes: No:

⁵"Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities.
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets.
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

Item 1: Name and address(es) of the issuer and its predecessor (if any)

Atacama Resources International, Inc. (formerly Arrakis Mining Research, Inc, until 1/9/2015)

The Company was incorporated in Florida on June 14, 2013 and has an active standing in that state.

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors since inception:

A Cease Trade Order was placed on the issuer by the Alberta Securities Commission on July 27, 2018. The Alberta Securities Commission placed the CTO on the Issuer due to a failure to file financial statements with them that conformed to the requirements of section 146 of the Securities Act (Alberta).

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address(es) of the issuer’s principal executive office:

361 Ridge Drive
Clearwater, BC, Canada
B0E 1N2

The address(es) of the issuer’s principal place of business:

Check if principal executive office and principal place of business are the same address:

1317 Edgewater Drive, Suite 2510
Orlando, FL 32804

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ___ No: **X**

Item 2: Security Information

Transfer Agent

Signature Stock Transfer, Inc.
14673 Midway Road
Suite 220
Addison, TX 75001
972-612-4120
<http://www.signaturestocktransfer.com>
info@signaturestocktransfer.com

Publicly Quoted or Traded Securities:

Trading symbol:	<u>ACRL</u>	
Exact title and class of securities outstanding:	<u>Common Stock</u>	
Par or stated value:	<u>\$0.0001</u>	
CUSIP:	<u>04651H106</u>	
Total shares authorized:	<u>2,900,000,000</u>	as of date: <u>June 30, 2023</u>
Total shares outstanding:	<u>1,118,252,435</u>	as of date: <u>June 30, 2023</u>
Total number of shareholders of record:	<u>213</u>	as of date: <u>June 30, 2023</u>

All additional class(es) of publicly traded securities (if any): *N/A*
None

Other classes of authorized or outstanding equity securities:

Exact title and class of securities outstanding:	<u>Series A Preferred Stock</u>	
CUSIP:	<u>None</u>	
Par or stated value:	<u>\$0.0001</u>	
Total shares authorized:	<u>10</u>	as of date: <u>June 30, 2023</u>
Total shares outstanding:	<u>2</u>	as of date: <u>June 30, 2023</u>
Total number of shareholders of record:	<u>2</u>	as of date: <u>June 30, 2023</u>
Exact title and class of securities outstanding:	<u>Series B Preferred Stock</u>	
CUSIP:	<u>None</u>	
Par or stated value:	<u>\$0.0001</u>	
Total shares authorized:	<u>999,990</u>	as of date: <u>June 30, 2023</u>
Total shares outstanding:	<u>569</u>	as of date: <u>June 30, 2023</u>
Total number of shareholders of record:	<u>43</u>	as of date: <u>June 30, 2023</u>

Security Description:

1. **For common equity, describe any dividend, voting and preemption rights.**
No dividend. One vote per share. No preemptive rights
2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

Series A Preferred Stock

1. DESIGNATION. This class of stock of this Corporation shall be named and designated “Series A Preferred Stock”. It shall have 10 shares authorized at \$0.0001par value per share.
2. CONVERSION RIGHTS. There shall be no conversion rights associated with this class of stock.
3. ISSUANCE. Shares of Series A Preferred Stock may only be issued in exchange for the full controlling interest held by the Management or its designee.
4. VOTING RIGHTS.
 - a. If at least one share of Series A Preferred Stock is issued and outstanding, then the total aggregate issued shares of Series A Preferred Stock at any given time, regardless of their number, shall have voting rights equal to four times the sum of: i) the total number of shares of Common Stock which are issued and outstanding at the time of voting, plus ii) the total number of shares of Series B Preferred Stocks which are issued and outstanding at the time of voting.
 - b. Each individual share of Series A Preferred Stock shall have the voting rights equal to:

[four times the sum of: {all shares of Common Stock issued and outstanding at time of voting + all shares of Series B Preferred Stocks issued and outstanding at time of voting}]

divided by:

[the number of shares of Series A Preferred Stock issued and outstanding at the time of voting]

Series B Preferred Stock

1. DESIGNATION. This class of stock of this Corporation shall be named and designated “Series B Preferred Stock”. It shall have 1,000,000 shares authorized at \$0.0001par value per share.
2. DIVIDENDS. The holders of Series B Preferred Stock shall be entitled to receive dividends when, as and if declared by the Board of Directors, in its sole discretion.
3. LIQUIDATION RIGHTS. Upon any liquidation, dissolution or winding up of the Corporation, whether

voluntary or involuntary, before any distribution or payment shall be made to the holders of any stock ranking junior to the Series B Preferred Stock, the holders of the Series B Preferred Stock shall be entitled to be paid out of the assets of the Corporation an amount equal to \$1.00 per share or, in the event of an aggregate subscription by a single subscriber for Series B Preferred Stock in excess of \$100,000, \$0.997 per share (as adjusted for any stock dividends, combinations, splits, recapitalizations and the like with respect to such shares) (the "Preference Value"), plus all declared but unpaid dividends, for each share of Series B Preferred Stock held by them. After the payment of the full applicable Preference Value of each share of the Series B Preferred Stock as set forth herein, the remaining assets of the Corporation legally available for distribution, if any, shall be distributed ratably to the holders of the Corporation's Common Stock.

4. CONVERSION AND ANTI-DILUTION.

(a) Each share of Series B Preferred Stock shall be convertible, at any time, and/or from time to time, into the number of shares of the Corporation's Common Stock, par value \$0.0001 per share, equal to the price of the Series B Preferred Stock, divided by the par value of the Common Stock, subject to adjustment as may be determined by the Board of Directors from time to time (the "Conversion Rate"). For example, assuming a \$2.50 price per share of Series B Preferred Stock, and a par value of \$0.0001 per share for Common Stock, each share of Series B Preferred Stock would be convertible into 500,000 shares of Common Stock. Such conversion shall be deemed to be effective on the business day (the "Conversion Date") following the receipt by the Corporation of written notice from the holder of the Series B Preferred Stock of the holder's intention to convert the shares of Series B Stock, together with the holder's stock certificate or certificates evidencing the Series B Preferred Stock to be converted.

(b) Promptly after the Conversion Date, the Corporation shall issue and deliver to such holder a certificate or certificates for the number of full shares of Common Stock issuable to the holder pursuant to the holder's conversion of Series B Preferred Shares in accordance with the provisions of this Section. The stock certificate(s) evidencing the Common Stock shall be issued with a restrictive legend indicating that it was issued in a transaction exempt from registration under the Securities Act, and that it cannot be transferred unless it is so registered, or an exemption from registration is available, in the opinion of counsel to the Corporation. The Common Stock shall be issued in the same name as the person who is the holder of the Series B Preferred Stock unless, in the opinion of counsel to the Corporation, such transfer can be made in compliance with applicable securities laws. The person in whose name the certificate(s) of Common Stock are so registered shall be treated as a holder of shares of Common Stock of the Corporation on the date the Common Stock certificate(s) are so issued.

All shares of Common Stock delivered upon conversion of the Series B Preferred Shares as provided herein shall be duly and validly issued and fully paid and non-assessable. Effective as of the Conversion Date, such converted Series B Preferred Shares shall no longer be deemed to be outstanding and all rights of the holder with respect to such shares shall immediately terminate except the right to receive the shares of Common Stock issuable upon such conversion.

(c) The Corporation covenants that, within 30 days of receipt of a conversion notice from any holder of shares of Series B Preferred Stock wherein which such conversion would create more shares of Common Stock than are authorized, the Corporation will increase the authorized number of shares of Common Stock sufficient to satisfy such holder of shares of Series B submitting such conversion notice.

(d) Shares of Series B Preferred Stock are anti-dilutive to reverse splits, and therefore in the case of a reverse split, are convertible to the number of Common Shares after the reverse split as would have been equal to the ratio established prior to the reverse split. The conversion rate of shares of Series B Preferred Stock, however, would increase proportionately in the case of forward splits, and may not be diluted by a reverse split following a forward split.

5. VOTING RIGHTS. Each share of Series B Preferred Stock shall have ten votes for any election or other vote placed before the shareholders of the Corporation.

6. PRICE.

(a) The initial price of each share of Series B Preferred Stock shall be \$2.50.

(b) The price of each share of Series B Preferred Stock may be changed either through a majority vote of the

Board of Directors through a resolution at a meeting of the Board, or through a resolution passed at an Action Without Meeting of the unanimous Board, until such time as a listed secondary and/or listed public market develops for the shares.

7. **LOCK-UP RESTRICTIONS ON CONVERSION.** Shares of Series B Preferred Stock may not be converted into shares of Common Stock for a period of: a) six (6) months after purchase, if the Company voluntarily or involuntarily files public reports pursuant to Section 12 or 15 of the Securities Exchange Act of 1934; or b) twelve (12) months if the Company does not file such public reports.

Other than stated above the Series A Preferred Stock and Series B Preferred Stock do not have redemption or sinking fund provisions.

3. **Describe any other material rights of common or preferred stockholders.**

None

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

None.

Item 3: Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

Shares outstanding as of Second Most Recent Fiscal Year End:	
<u>Opening Balance:</u>	
Date: <u>12/31/2020</u>	Common: <u>992,752,435</u>
	Preferred: <u>718</u>

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance ? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
8/15/22	Cancellation	(92)	Series B Preferred	0.0001	No	Daniel Finch	Cancellation	Restricted	4(a)(2)

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance ? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
8/15/22	New issuance	46,000,000	Common	0.0001	Yes	Daniel Finch	Conversion Preferred B to Common	Restricted	4(a)(2)
8/17/22	Cancellation	(6)	Series B Preferred	0.0001	No	Johnathan Yellin	Cancellation	Restricted	4(a)(2)
8/17/22	New issuance	3,000,000	Common	0.0001	Yes	Johnathan Yellin	Conversion Preferred B to Common	Restricted	4(a)(2)
8/30/22	Cancellation	(18)	Series B Preferred	0.0001	No	Shaka Holdings Trust, Sandip Patidar, Trustee	Cancellation	Restricted	4(a)(2)
8/30/22	New issuance	9,000,000	Common	0.0001	Yes	Shaka Holdings Trust, Sandip Patidar, Trustee	Conversion Preferred B to Common	Restricted	4(a)(2)
9/08/22	Cancellation	(8)	Series B Preferred	0.0001	No	Spivak Family Trust, Stephen Spivak, Manager	Cancellation	Restricted	4(a)(2)
9/08/22	New issuance	4,000,000	Common	0.0001	Yes	Spivak Family Trust, Stephen Spivak, Manager	Conversion Preferred B to Common	Restricted	4(a)(2)
4/01/23	New issuance	9,000,000	Common	0.0045	No	John C Grant	Settlement of accounts payable	Restricted	4(a)(2)
4/01/23	New issuance	27,000,000	Common	0.0045	No	Daniel Finch	Services	Restricted	4(a)(2)
4/01/23	New issuance	4,000,000	Common	0.0045	No	Daniel Finch	Conversion Preferred B to Common	Restricted	4(a)(2)
4/01/23	Cancellation	(8)	Series B Preferred	0.0001	No	Daniel Finch	Cancellation	Restricted	4(a)(2)
4/01/23	New issuance	12,000,000	Common	0.0045	No	Glenn Grant, CEO, Atacama Resources International, Inc.	Services	Restricted	4(a)(2)
4/01/23	New issuance	4,500,000	Common	0.0045	No	Glenn Grant, CEO, Atacama Resources International, Inc.	Conversion Preferred B to Common	Restricted	4(a)(2)
4/01/23	Cancellation	(9)	Series B Preferred	0.0001	No	Glenn Grant, CEO, Atacama Resources International, Inc.	Cancellation	Restricted	4(a)(2)
4/01/23	New issuance	2,000,000	Common	0.0045	No	David Jackson	Services Rendered	Restricted	4(a)(2)
4/01/23	New issuance	1,000,000	Common	0.0045	No	Nelson Riis	Services Rendered	Restricted	4(a)(2)

Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance ? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed)	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
4/01/23	New issuance	1,000,000	Common	0.0045	No	Allan Flasch	Services Rendered	Restricted	4(a)(2)
5/19/23	New issuance	3,000,000	Common	0.0075	No	Stuart J Spivak	Conversion Preferred B to Common	Restricted	4(a)(2)
4/01/23	Cancellation	(6)	Series B Preferred	0.0001	No	Stuart J Spivak	Cancellation	Restricted	4(a)(2)
Shares Outstanding on June 30, 2023 :									
Ending Balance:	Ending Balance: Common: 1,118,252,435								
Date: <u>6/30/2023</u>	Series A Preferred: <u>2</u> Series B Preferred: <u>569</u>								

Use the space below to provide any additional details, including footnotes to the table above:

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities.

No: Yes: (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
08/26/22	5,000	5,000	337	8/26/23	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	James White	Operations
08/26/22	5,000	5,000	337	8/26/23	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Deborah McNamara	Operations
10/12/22	10,000	10,000	572	10/12/23	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Kevin Bonnebie	Operations
1/26/23	35,000	35,000	0	1/26/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Donald Flindt	Operations

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
1/26/23	25,000	25,000	0	1/26/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Shari Crowther	Operations
1/27/23	10,000	10,000	0	1/27/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Clifford Baschuk	Operations
1/30/23	10,000	10,000	0	1/30/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Stephen Campbell	Operations
2/1/23	5,000	5,000	163	2/1/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Mark Benoit	Operations
2/1/23	15,000	15,000	490	2/1/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Clifford Baschuk	Operations
5/26/23	5,000	5,000	0	5/26/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Grahm Gilbert	Operations
5/26/23	5,000	5,000	38	5/26/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Derek Hokanson	Operations
5/26/23	20,000	20,000	0	5/26/24	Convertible into restricted shares of common stock at 85% of the five-day average price prior to the date of conversion.	Donald Flindt	Operations

Use the space below to provide any additional details, including footnotes to the table above:

Item 4: Issuer's Business, Products and Services

Atacama Resources International, Inc., is a mineral exploration company with assets located in northeastern Ontario, Canada.

Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons.

Not applicable

Principal Products or Services, and their markets. **Exploration – the Company either holds or holds options to approximately 3000 acres of mineral claims in northeastern Ontario. Potential minerals under exploration include gold, silver, copper, cobalt, graphite, and diamonds.**

Item 5: Issuer's Facilities:

The Company's primary office is located at 1317 Edgewater Drive Suite 2510, Orlando, FL 32804

Item 6: Officers, Directors and Control Persons at June 30, 2023

Name of All Officers, Directors or Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Names of Control person(s) if a corporate entity
Glenn Grant	CEO/CFO, Director	Clearwater, BC	24,644,074	Common	2.20%	
			1	Preferred A	50%	
			73	Preferred B	12.8%	
Daniel Finch	COO, Director	Sarasota, FL	77,000,000	Common	6.87%	
			1	Preferred A	50%	

Item 7: Legal/Disciplinary History

A. Please identify whether any of the foregoing persons have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses)

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities.

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding, or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred suspended or otherwise limited such person's involvement in any type of business or securities activities.

None

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceed and the relief sought. Include similar information as to any such proceedings know to be contemplated by governmental authorities.

None

Item 8: Third Party Providers

Securities Counsel (must include Counsel preparing Attorney Letters).

Zachary Walker, Howard O. Bernstein, PC
1111 Pearl Street Suite 203
Boulder, CO 80302
(303) 494-3321

Accountant or Auditor

Christopher Hiestand, CPA
Accell Audit & Compliance, PA
3001 N. Rocky Point Drive East, Suite 200
Tampa, FL 33607
(813) 367-3527
chiestand@accell-ac.com

Investor Relations

All other means of Investor Communications

Twitter:	<u>N/A</u>
Discord:	<u>N/A</u>
LinkedIn:	<u>N/A</u>
Facebook:	<u>N/A</u>
[Other]	<u>N/A</u>

Other Service Providers

Provide the name of any other service provider(s), that assisted, advised, prepared, or provided information with respect to this disclosure statement. This includes counsel, broker-dealer(s), advisor(s) or consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name:	<u>Robin W Hunt</u>
Firm:	<u>Interactive Edgar Corp.</u>
Nature of Services:	<u>Contract Services, Bookkeeping</u>
Address :	<u>17318 Dawkins Rd, New Haven, IN 46774</u>

Item 9: Financial Statements.

A: The following financial statements were prepared in accordance with
U.S. GAAP: **X**
IFRS:

B: The financial Statements for this reporting period were prepared by
Name: **Robin W. Hunt**
Title: **President, Interactive Edgar Corp**
Relationship to Issuer: **Contract Service Provider**

ATACAMA RESOURCES INTERNATIONAL, INC. INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

	<u>Page</u>
Consolidated Balance Sheets at June 30, 2023 and December 31, 2022	12
Consolidated Statements of Operations for the three and six months ended June 30, 2023 and 2022	13
Consolidated Statement of Changes in Shareholders' Deficit at June 30, 2023 and December 31 2022	14
Consolidated Statements of Cash Flows for the six months ended June 30, 2023 and 2022	15
Notes to Consolidated Financial Statements	16

ATACAMA RESOURCES INTERNATIONAL, INC.
Consolidated Balance Sheets

	June 30, 2023	December 31, 2022
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 53,403	\$ 4,259
Total Current Assets	53,403	4,259
TOTAL ASSETS	\$ 53,403	\$ 4,259
LIABILITIES AND STOCKHOLDERS' DEFICIT		
Current Liabilities		
Accounts payable and accrued expenses	\$ 464,418	\$ 630,511
Accrued compensation	317,641	243,600
Due to related party	115,730	14,200
Convertible notes payable, net of discount of \$11,632 and \$3,639, respectively	138,368	16,361
Derivative liability	45,542	7,624
Total Current Liabilities	1,081,699	912,296
TOTAL LIABILITIES	1,081,699	912,296
COMMITMENTS AND CONTINGENCIES (Note 9)		
STOCKHOLDERS' DEFICIT		
Preferred stock: \$0.0001 par value 1,000,000 authorized; 571 and 594 shares issued and outstanding, respectively	----	----
Common stock: \$0.0001 par value 2,900,000,000 authorized; 1,118,252,435 and 1,054,752,435 shares issued and outstanding	111,825	105,475
Stock to be issued	615,000	615,000
Additional paid in capital	4,865,735	4,600,485
Accumulated deficit	(6,620,458)	(6,226,073)
Accumulated other comprehensive loss	(398)	(2,924)
Total Stockholders' Deficit	(1,028,296)	(908,037)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	\$ 53,403	\$ 4,259

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

ATACAMA RESOURCES INTERNATIONAL, INC.
Consolidated Statements of Operations and Comprehensive Loss

	For the Three Months Ended		For the Six Months Ended	
	June 30,		June 30,	
	2023	2022	2023	2022
Revenues	\$ ----	\$ ----	\$ ----	\$ ----
Operating Expenses				
Stock issued for services	231,100	----	231,100	----
Exploration fees	2,021	----	35,859	----
Management fees	48,000	10,000	96,000	269,838
Professional fees	28,174	----	80,957	----
Selling, general and administrative expenses	4,248	3,825	14,943	3,825
Total operating expenses	<u>313,543</u>	<u>13,825</u>	<u>458,859</u>	<u>273,663</u>
Net loss from operations	(313,543)	(13,825)	(458,859)	(273,663)
Other income (expense)				
Interest expense	(836)	----	(1,485)	----
Gain on settlement of payables	95,884	----	95,884	----
Amortization of debt discount	(11,569)	----	(21,371)	----
Change in derivative	(1,845)	----	(8,554)	----
Income taxes	----	----	----	----
Net income (loss)	\$ (231,909)	\$ (13,825)	\$ (394,385)	\$ (273,663)
Foreign exchange translation	2,459	----	2,526	11,679
Comprehensive income (loss)	\$ (229,450)	\$ (13,825)	\$ (391,859)	\$ (261,984)
Basic and diluted loss per share	\$ (0.000)	\$ (0.000)	\$ (0.000)	\$ 0.000
Weighted average number of shares outstanding	<u>1,115,972,215</u>	<u>992,752,435</u>	<u>1,085,531,441</u>	<u>992,752,435</u>

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

ATACAMA RESOURCES INTERNATIONAL, INC.
Consolidated Statement of Stockholders' Deficit

	Preferred Stock		Common Stock		Stock to be Issued	Additional Paid in Capital	Accumulated Deficit	Other Comprehensive Income	Total
	Shares	Amount	Shares	Amount					
Balance, December 31, 2021	718	\$ ---	992,752,435	\$99,275	\$ ----	\$4,606,685	\$(6,280,496)	\$(34,388)	\$ (1,608,924)
Stock issued for conversion of Preferred B	(124)	---	62,000,000	6,200	---	(6,200)	---	---	---
Stock issued for the settlement of liabilities					615,000				615,000
Net income	---	---	---	---	---	---	54,423	---	54,423
Foreign translation income	---	---	---	---	---	---	---	31,464	31,464
Balance, December 31, 2022	594	\$ ---	1,054,752,435	\$105,475	\$ 615,000	\$4,600,485	\$(6,226,073)	\$(2,924)	\$ (908,037)
Stock issued for conversion of Preferred B	(23)	---	11,500,000	1,150	---	(1,150)	---	---	---
Stock issued for services	---	---	52,000,000	5,200	---	266,400	---	---	271,600
Net loss	---	---	---	---	---	---	(394,385)	---	(394,385)
Foreign translation income	---	---	---	---	---	---	---	2,526	2,526
Balance, June 30, 2023	571	\$ ---	1,118,252,435	\$118,825	\$ 615,000	\$4,865,735	\$(6,620,458)	\$(398)	\$ (1,028,296)

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

ATACAMA RESOURCES INTERNATIONAL, INC.
Consolidated Statements of Cash Flows

	For the Six months Ended	
	June 30,	
	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income (loss)	\$ (394,385)	\$ (273,663)
Adjustments to reconcile net income (loss) from net cash provided by operations:		
Change in fair market value of derivatives	8,554	----
Amortization of debt discount	21,371	----
Gain on settlement of payables	(95,884)	----
Stock issued for services	271,600	----
Changes in assets and liabilities:		
Accounts payable and accrued expenses	(70,209)	298,804
Accrued compensation	74,041	10,000
Net cash from operating activities	<u>(184,912)</u>	<u>35,141</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Proceeds from related party	101,530	----
Proceeds from convertible notes payable	130,000	----
Net cash from financing activities	<u>231,530</u>	----
Foreign Currency Translation	2,526	(34,923)
Net change in cash and cash equivalents	49,144	218
Cash and cash equivalents		
Beginning of period	4,259	10,237
End of period	<u>\$ 53,403</u>	<u>\$ 10,455</u>
Supplemental cash flow information		
Cash paid for interest	\$ ----	\$ ----
Cash paid for taxes	\$ ----	\$ ----
Non-cash transactions:		
Original discount recorded on recognition of notes with derivatives	<u>\$ 29,364</u>	<u>\$ ----</u>

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

Atacama Resources International, Inc.
Notes to Consolidated Financial Statements
June 30, 2023

NOTE 1. NATURE OF BUSINESS

ORGANIZATION

Atacama Resources International, Inc. (hereinafter the “Company”) was incorporated in the State of Florida in June 2013. The Company is a mineral exploration company with assets located in northeastern Ontario, Canada.

NOTE 2. GOING CONCERN

For the six months ended June 30, 2023 the Company had a net loss of \$394,385 and for the six months ended June 30, 2022, the Company had a net loss of \$273,663. The Company had cash flows from operating activities of (\$184,912) and \$35,141, respectively. As of June 30, 2023, the Company had working capital deficit of \$1,028,296. The Company has generated \$0 in revenues for the six months ended June 30, 2023 and 2022.

The Company’s financial statements are prepared using accounting principles generally accepted in the United States of America applicable to a going concern which contemplates the realization of assets and liquidation of liabilities in the normal course of business. The Company is in the business of mineral exploration and will not be in a position to generate revenues until it is able to (i) dispose of an asset(s) by way of a sale for a profit, or (ii) develop an asset(s) to the point where it becomes a producing mine facility. The ability of the Company to continue as a going concern is dependent on the Company obtaining adequate capital to fund operating losses until it becomes profitable. If the Company is unable to obtain adequate capital, it could be forced to cease operations.

In order to continue as a going concern, the Company will need, among other things, additional capital resources. Management’s plan to obtain such resources for the Company include, obtaining capital by of capital raises and the sale of shares.

NOTE 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company and its subsidiary, Cambrian Mining Corporation. All intercompany accounts and transactions have been eliminated.

BASIS OF PRESENTATION AND USE OF ESTIMATES

The Company prepares its consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"), which require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RECLASSIFICATION OF PRIOR YEAR PRESENTATION

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

CASH AND CASH EQUIVALENTS

The Company considers all highly liquid investments with an original maturity of a year or less at the date of acquisition to be cash equivalents.

CASH FLOWS REPORTING

The Company follows ASC 230, Statement of Cash Flows, for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method (“Indirect method”) as defined by ASC 230, Statement of

Cash Flows, to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash

Atacama Resources International, Inc.
Notes to Consolidated Financial Statements
June 30, 2023

flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period.

EXPLORATION AND DEVELOPMENT COSTS

Costs of acquiring mining properties and any exploration and development costs are expensed as incurred unless proven and probable reserves exist and the property is a commercially mineable property in accordance with FASB ASC 930, Extractive Activities – Mining. Mine development costs incurred either to develop new gold and silver deposits, expand the capacity of operating mines, or to develop mine areas substantially in advance of current production are capitalized. Costs incurred to maintain current production or to maintain assets on a standby basis are charged to operations. Costs of abandoned projects are charged to operations upon abandonment. The Company evaluates at least Annual, the carrying value of capitalized mining costs and related property, plant and equipment costs, if any, to determine if these costs are in excess of their net realizable value and if a permanent impairment needs to be recorded. The periodic evaluation of carrying value of capitalized costs and any related property, plant and equipment costs are based upon expected future cash flows and/or estimated salvage value.

The Company capitalizes costs for mining properties by individual property and defers such costs for later amortization only if the prospects for economic productions are reasonably certain.

Capitalized costs are expensed in the period when the termination has been made that economic production does not appear reasonably certain.

During the six months ended June 30, 2023 and 2022, the Company recorded exploration costs of \$35,859 and \$0, respectively.

RELATED PARTIES

The Company follows ASC 850, “Related Party Disclosures,” for the identification of related parties and disclosure of related party transactions. Related party transactions are summarized in Note 10.

CONCENTRATIONS OF CREDIT RISK AND SIGNIFICANT CUSTOMERS

Financial instruments which potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents, marketable securities, accounts receivable and restricted cash. The Company limits its exposure to credit loss by placing its cash and cash equivalents with high credit-quality financial institutions in bank deposits, money market funds, U.S. government securities and other investment grade debt securities that have strong credit ratings. The Company has established guidelines relative to diversification of its cash and marketable securities and their maturities that are intended to secure safety and liquidity. These guidelines are periodically reviewed and modified to take advantage of trends in yields and interest rates and changes in the Company’s operations and financial position. Although the Company may deposit its cash and cash equivalents with multiple financial institutions, its deposits, at times, may exceed federally insured limits.

FINANCIAL INSTRUMENTS

The Company’s consolidated balance sheet includes certain financial instruments. The carrying amounts of current assets and current liabilities approximate their fair value because of the relatively short period of time between the origination of these instruments and their expected realization.

ASC 820, Fair Value Measurements and Disclosures defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a fair value hierarchy that distinguishes between (1) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (2) an entity’s own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Atacama Resources International, Inc.
Notes to Consolidated Financial Statements
June 30, 2023

Level 1	Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
Level 2	Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
Level 3	Inputs that are both significant to the fair value measurement and unobservable.

Fair value estimates discussed herein are based upon certain market assumptions and pertinent information available to management as of June 30, 2023 and December 31, 2022. The respective carrying value of certain on-balance-sheet financial instruments approximated their fair values due to the short-term nature of these instruments.

DERIVATIVE LIABILITIES

Derivative liabilities include the fair value of instruments such as common stock warrants, preferred stock warrants and convertible features of notes, that are initially recorded at fair value and are required to be re-measured to fair value at each reporting period under provisions of ASC 480, *Distinguishing Liabilities from Equity*, or ASC 815, *Derivatives and Hedging*. The change in fair value of the instruments is recognized as a component of other income (expense) in the Company's statements of operations until the instruments settle, expire or are no longer classified as derivative liabilities. The Company estimates the fair value of these instruments using the Black-Scholes pricing model. The significant assumptions used in estimating the fair value include the exercise price, volatility of the stock underlying the instrument, risk-free interest rate, estimated fair value of the stock underlying the instrument and the estimated life of the instrument.

As of June 30, 2023 and December 31, 2022, the Company had Level 3 financial instruments consisting of derivative liabilities relating to the conversion feature of convertible debt. The balance of the derivative liability at June 30, 2023 and December 31, 2022 was \$45,542 and \$7,624, respectively.

REVENUE RECOGNITION

Effective January 1, 2021, the Company adopted Accounting Standards Codification ("ASC") 606, Revenue From Contracts With Customers, which is effective for public business entities with annual reporting periods beginning after December 15, 2017. This new revenue recognition standard (new guidance) has a five-step process: a) Determine whether a contract exists; b) Identify the performance obligations; c) Determine the transaction price; d) Allocate the transaction price; and e) Recognize revenue when (or as) performance obligations are satisfied. The Company's initial application of ASC 606 did not have a material impact on its financial statements and disclosures and there was no cumulative effect of the adoption of ASC 606.

Revenue is recognized when all of the following criteria are met:

- *Identification of the contract, or contracts, with a customer*
A contract with a customer exists when (i) we enter into an enforceable contract with a customer that defines each party's rights regarding the goods or services to be transferred and identifies the payment terms related to these goods or services, (ii) the contract has commercial substance and the parties are committed to perform, and (iii) we determine that collection of substantially all consideration to which it will be entitled in exchange for goods or services that will be transferred is probable based on the customer's intent and ability to pay the promised consideration.
- *Identification of the performance obligations in the contract*
Performance obligations promised in a contract are identified based on the goods or services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the goods or service either on its own or together with other resources that are readily available from third parties or from us, and are distinct in the context of the contract, whereby the transfer of the goods or services

Atacama Resources International, Inc.
Notes to Consolidated Financial Statements
June 30, 2023

is separately identifiable from other promises in the contract. To the extent a contract includes multiple promised goods or services, we apply judgment to determine whether promised goods or services are capable of being distinct and distinct in the context of the contract. If these criteria are not met the promised goods or services are accounted for as a combined performance obligation.

- *Determination of the transaction price*
The transaction price is determined based on the consideration to which we will be entitled in exchange for transferring goods or services to the customer. Constraints are applied when estimating variable considerations based on historical experience where applicable.
- *Allocation of the transaction price to the performance obligations in the contract*
All current contracts are of a single performance obligation thus the entire transaction price is allocated to the single performance obligation. We determine standalone selling price taking into account available information such as historical selling prices of the performance obligation, geographic location, overall strategic objective, market conditions and internally approved pricing guidelines related to the performance obligation.
- *Recognition of revenue when, or as, we satisfy performance obligation*
We satisfy performance obligations either over time or at a point in time as discussed in further detail below. Revenue is recognized at or over the time the related performance obligation is satisfied by transferring a promised good or service to a customer.

The Company did not generate revenue for the six months ended June 30, 2023 and 2022.

INCOME TAXES

The Company accounts for income taxes in accordance with ASC 740, Accounting for Income Taxes, as clarified by ASC 740-10, Accounting for Uncertainty in Income Taxes. Under this method, deferred income taxes are determined based on the estimated future tax effects of differences between the financial statement and tax basis of assets and liabilities and net operating loss and tax credit carryforwards given the provisions of enacted tax laws. Deferred income tax provisions and benefits are based on changes to the assets or liabilities from year to year. In providing for deferred taxes, the Company considers tax regulations of the jurisdictions in which the Company operates, estimates of future taxable income, and available tax planning strategies. If tax regulations, operating results or the ability to implement tax-planning strategies vary, adjustments to the carrying value of deferred tax assets and liabilities may be required. Valuation allowances are recorded related to deferred tax assets based on the “more likely than not” criteria of ASC 740.

ASC 740-10 requires that the Company recognize the financial statement benefit of a tax position only after determining that the relevant tax authority would more likely than not sustain the position following an audit. For tax positions meeting the “more-likely-than-not” threshold, the amount recognized in the financial statements is the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement with the relevant tax authority.

The Company recognizes expenses for tax penalties and interest assessed by the Internal Revenue Service and other taxing authorities upon receiving valid notice of assessments. The Company has received no such notices as of June 30, 2023.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all the deferred tax assets will be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences will become deductible. The Company considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. The Company has recorded a full valuation allowance against its net deferred tax assets because it is not currently able to conclude that it is more likely than not that these assets will be realized. The amount of deferred tax assets considered to be realizable could be increased in the near term if estimates of future taxable income during the carryforward period are increased.

As of June 30, 2023, the Company had unused net operating loss carry forwards of \$855,000 available to reduce federal taxable income. The Company’s ability to offset future taxable income, if any, with tax net operating loss carryforwards may be limited due to the non-filing of tax returns. Under the CARES act, net operating losses arising after 2017 are able to be carried forward indefinitely. Furthermore, changes in ownership may result in limitations under Internal Revenue Code Section 382.

Atacama Resources International, Inc.
Notes to Consolidated Financial Statements
June 30, 2023

No deferred tax assets or liabilities were recognized as of June 30, 2023 or December 31, 2022.

NET INCOME (LOSS) PER COMMON SHARE

Net income (loss) per share is calculated in accordance with ASC 260, “Earnings Per Share.” The weighted-average number of common shares outstanding during each period is used to compute basic earning or loss per share. Diluted earnings or loss per share is computed using the weighted average number of shares and diluted potential common shares outstanding. Dilutive potential common shares are additional common shares assumed to be exercised.

Basic net income (loss) per common share is based on the weighted average number of shares of common stock outstanding at June 30, 2023 and December 31, 2022. As of June 30, 2023 and 2022, the Company had no dilutive potential common shares.

SHARE-BASED EXPENSE

ASC 718, Compensation – Stock Compensation, prescribes accounting and reporting standards for all share-based payment transactions in which employee services are acquired. Transactions include incurring liabilities, or issuing or offering to issue shares, options, and other equity instruments such as employee stock ownership plans and stock appreciation rights. Share-based payments to employees, including grants of employee stock options, are recognized as compensation expense in the consolidated financial statements based on their fair values. That expense is recognized over the period during which an employee is required to provide services in exchange for the award, known as the requisite service period (usually the vesting period).

The Company accounts for stock-based compensation issued to non-employees and consultants in accordance with the provisions of ASC 505-50, Equity – Based Payments to Non-Employees. Measurement of share-based payment transactions with non-employees is based on the fair value of whichever is more reliably measurable: (a) the goods or services received; or (b) the equity instruments issued. The fair value of the share-based payment transaction is determined at the earlier of performance commitment date or performance completion date.

Share-based expense was \$231,100 and \$0 for the six months ending June 30, 2023, and 2022.

COMMITMENTS AND CONTINGENCIES

The Company follows ASC 450-20, Loss Contingencies, to report accounting for contingencies. Liabilities for loss contingencies arising from claims, assessments, litigation, fines and penalties and other sources are recorded when it is probable that a liability has been incurred and the amount of the assessment can be reasonably estimated. There were no known commitments or contingencies as of June 30, 2023 and December 31, 2022.

RECENT ACCOUNTING PRONOUNCEMENTS

The Company has reviewed the FASB issued Accounting Standards Update (“ASU”) accounting pronouncements and interpretations thereof that have effectiveness dates during the periods reported and in future periods. The Company has carefully considered the new pronouncements that alter previous generally accepted accounting principles and does not believe that any new or modified principles will have a material impact on the corporation’s reported financial position or operations in the near term. The applicability of any standard is subject to the formal review of our financial management and certain standards are under consideration.

In May 2022, the FASB issued ASU 2022-04, Earnings Per Share (Topic 260), Debt-Modifications and Extinguishments (Subtopic 470-50), Compensation-Stock Compensation (Topic 718), and Derivatives and Hedging-Contracts in Entity’s Own Equity (Subtopic 815-40). The new ASU addresses issuer’s accounting for certain modifications or exchanges of freestanding equity-classified written call options. This amendment is effective for all entities, for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact this new guidance will have on its financial statements.

Atacama Resources International, Inc.
Notes to Consolidated Financial Statements
June 30, 2023

NOTE 4 – ACCRUED COMPENSATION

The Company's accrued compensation consisted of the following:

	June 30, 2023	December 31, 2022
Glenn Grant	\$ 55,000	\$ 25,000
Daniel Finch	32,901	19,500
Allan Flasch	26,000	13,000
David Jackson	15,000	----
David Berry	56,622	55,830
Colin Keith	132,118	130,270
Total Accrued Compensation	\$ 317,641	\$ 243,600

On August 10, 2022, the Company entered into individual settlement agreements with David Berry and Colin Keith. Mr. Berry's settlement agreement consisted of CAD \$75,000 (US \$55,830) and stock to be issued at a future date. The valuation of the stock on August 10, 2022 was \$615,000 based on \$0.0082 per common share. Mr. Berry also agreed to forgive the balance of his accrued compensation. Mr. Keith's settlement agreement consisted of CAD \$175,000 (US \$130,270). Mr. Keith agreed to forgive the balance of his accrued compensation. A total of \$594,516 of accrued compensation was forgiven based on these agreements.

NOTE 5. CONVERTIBLE NOTE PAYABLE

The Company accounts for this embedded conversion feature as a derivative under ASC 815-10-15-83 and valued separately from the note at fair value. The embedded conversion feature of the note is revalued at each subsequent reporting date at fair value and any changes in fair value will result in a gain or loss in those periods. At June 30, 2023 and December 31, 2022, the derivative liability associated with all convertible notes payable was \$45,542 and \$7,624 respectively.

Convertible Notes payable consisted of the following:	June 30, 2023	December 31, 2022
Convertible notes payable:	\$ 150,000	\$ 20,000
Debt discount	(11,632)	(3,639)
Convertible notes payable net of debt discount	138,368	16,361
Accrued interest	1,939	454
Current portion of convertible note payable and interest	\$ 140,307	\$ 16,815

NOTE 6. DERIVATIVE LIABILITY

The fair value of the Company's derivative liabilities is estimated at the issuance date and is revalued at each subsequent reporting date. The Company estimates the fair value of these instruments using the Black-Scholes pricing model. The significant assumptions used in estimating the fair value include the exercise price, volatility of the stock underlying the instrument, risk-free interest rate, estimated fair value of the stock underlying the instrument and the estimated life of the instrument.

A summary of the activity of the derivative liability for the notes above is as follows:

	June 30, 2023	December 31, 2022
Balance at Beginning of period	\$ 7,642	\$ ----
Increase in derivative due to new issuances	29,346	8,564
Derivative income due to mark to market adjustment	8,554	(940)
Balance at end of period	\$ 45,542	\$ 7,642

Atacama Resources International, Inc.
Notes to Consolidated Financial Statements
June 30, 2023

A summary of quantitative information about significant unobservable inputs (Level 3 inputs) used in measuring the Company's derivative liability that are categorized within Level 3 of the fair value hierarchy as of June 30, 2023 is as follows:

Inputs	June 30, 2023	Initial Valuation
Stock price on the valuation date	\$ 0.0077	\$ 0.0043 – 0.0099
Conversion price	\$ 0.0065	\$ 0.0050 – 0.0084
Risk-free interest rate	3.36% - 5.25%	3.36% - 5.25%
Years to maturity	0.84 – 0.08	1
Volatility (annual)	81.07%	62.53% – 75.61%

NOTE 7. SHAREHOLDERS' EQUITY

SERIES A PREFERRED STOCK

At June 30, 2023, Series A Preferred Stock has 10 shares designated and 2 shares outstanding, has no conversion rights and the total aggregate issued shares, regardless of their number, shall have voting rights equal to four times the sum of i) the total number of shares of Common Stock which are issued and outstanding at the time of voting, plus ii) the total number of shares of Series B Preferred Stocks which are issued and outstanding at the time of voting.

SERIES B PREFERRED STOCK

At June 30, 2023, Series B Preferred Stock has 999,990 shares designated and 569 shares outstanding. Each share of Series B Preferred Stock is convertible into 500,000 shares of Common Stock and has ten votes for any election or other vote placed before the shareholders of the Company.

WARRANTS AND OPTIONS

There are no warrants or options outstanding to acquire any additional common shares of the Company as of June 30, 2023 and December 31, 2022.

NOTE 8. COMMITMENTS AND CONTINGENCIES

From time to time, the Company may be a party to litigation matters involving claims against the Company. Management believes that there are no current matters that would have a material effect on the Company's financial position or results of operations.

NOTE 9. RELATED PARTY TRANSACTIONS

DUE TO/FROM RELATED PARTIES

Certain current officers and directors paid expenses on behalf of the Company and are due reimbursement. As of June 30, 2023 and December 31, 2022, the balance due to related parties was \$122,073 and \$50,451, respectively. The amount due to Glenn Grant was included in accounts payable and due to related parties at June 30, 2023 and December 31, 2022 of \$118,723 and \$20,601, respectively. The amount due to Daniel Finch was included in accounts payable at June 30, 2023 and December 31, 2022 of \$3,350 and \$29,850, respectively.

NOTE 10. SUBSEQUENT EVENTS

In accordance with ASC 855-10, the Company has analyzed its operations subsequent to June 30, 2023, through the date these financial statements were issued (date of filing with the OTC Markets) and has determined that it does not have any material subsequent events to disclose in these financial statements other than the events discussed below.

Item 10. Certifications

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

I, Glenn Grant, certify that:

I have reviewed this Quarterly disclosure statement of Atacama Resources International, Inc.;

Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

This 8th day of August 2023,

/s/Glenn Grant

Glenn Grant

Chief Executive Officer

Chief Financial Officer