FIRST ENERGY METALS LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JUNE 30, 2021

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

Notice to Reader

These condensed interim financial statements of First Energy Metals Limited have been prepared by management and approved by the Board of Directors of the Company. In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its external auditors have not reviewed these condensed interim financial statements, notes to financial statements and the related quarterly Management Discussion and Analysis.

FIRST ENERGY METALS LIMITED
Condensed Interim Statements of Financial Position
(Unaudited -expressed in Canadian dollars)

	Note		June 30, 2021		March 31, 2021
ASSETS					
Current Assets					
Cash		$	625,207	$	2,158,688
Amounts receivable and prepaid expenses	*4*		897,424		123,882
Total Current Assets			1,522,631		2,282,570
Non-current Assets					
Reclamation deposits			11,000		11,000
Exploration and evaluation assets	*5*		3,676,625		886,125
Total Non-current Assets			3,687,625		897,125
Total Assets		$	5,210,256	$	3,179,695
LIABILITIES					
Current Liabilities					
Accounts payable and accrued liabilities	*6*	$	660,342	$	383,962
Due to related parties, net	*7*		66,365		90,365
Flow-through share premium liability		$	230,000		230,000
Total Liabilities			956,707		704,327
SHAREHOLDERS' EQUITY					
Share capital	*8*		41,687,384		38,712,936
Warrants reserve			1,907,406		1,586,508
Share subscriptions			18,925		76,734
Share-based payments reserve	*8*		1,478,545		1,201,548
Deficit			(40,838,711)		(39,102,358)
Total Shareholders' Equity			4,253,549		2,475,368
Total Liabilities and Shareholders' Equity		$	5,210,256	$	3,179,695
Going concern	*1*				
Subsequent events	*12*				

Approved and authorized for issue on behalf of the board of directors on August 30, 2021 by:

/s/*Gurminder Sangha*
Director

/s/*Jurgen Wolf*
Director

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

FIRST ENERGY METALS LIMITED

Condensed Interim Statements of Loss and Comprehensive Loss

(Unaudited -expressed in Canadian dollars)

		Three months ended June 30,	
	Note	**2021**	**2020**
Expenses			
Consulting fees	*7*	$ 57,500	$ 109,100
Exploration and evaluation costs	*5*	978,361	35,962
General and administrative		4,325	4,452
Professional fees		8,250	8,497
Salaries, fees and benefits	*7*	45,000	28,500
Shareholder communications		365,920	6,571
Share-based payments		276,997	-
Net Loss and Comprehensive Loss for the Period		(1,736,353)	(193,082)
Loss per Common Share, Basic and Diluted		$ (0.03)	$ (0.01)
Weighted Average Number of Shares Outstanding – Basic and Diluted		54,586,133	29,863,442

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

FIRST ENERGY METALS LIMITED
Condensed Interim Statements of Changes in Equity
(Unaudited -expressed in Canadian dollars)

	Note	Common Shares Without Par Value						
		Shares	Amount	Warrants Reserve	Share subscriptions (Receivable)	Share-based Payments Reserve	Deficit	Total Equity
Balance, March 31, 2020		29,631,003	$36,251,154	$ 566,665	$ (240,050)	$ 211,227	$ (36,642,697)	$ 146,299
Private placements		-	-	-	240,050	-	-	240,050
Warrant exercised		1,269,000	224,244	(71,964)	(120,000)	-	-	32,280
Net loss for the period		-	-	-	-	-	(193,082)	(193,082)
Balance, June 30, 2020		30,900,003	$36,475,398	$ 494,701	$ (120,000)	$ 211,227	$ (36,835,779)	$ 225,547
Balance, March 31, 2021		49,522,670	$38,712,936	$ 1,586,508	$ 76,734	$ 1,201,548	$ (39,102,358)	$ 2,475,368
Warrant exercised		232,000	60,350	(11,150)	(35,200)	-	-	14,000
Shares issued for exploration and evaluation assets		6,650,000	2,290,500	-	-	-	-	2,290,500
Private placements		2,686,063	684,259	315,741	-	-	-	1,000,000
Share issue costs		198,161	(41,736)	16,307	(41,534)	-	-	(66,963)
Share-based payments		-	-	-	-	276,997	-	276,997
Net loss for the period		-	-	-	-	-	(1,736,353)	(1,736,353)
Balance, June 30, 2021		59,288,894	$41,706,309	$ 1,907,406	$ -	$ 1,478,545	$ (40,838,711)	$ 4,253,549

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

FIRST ENERGY METALS LIMITED
Condensed Interim Statements of Cash Flows
(Unaudited -expressed in Canadian dollars)

		Three months ended June 30,		
		2021		2020
Cash provided from (used for):				
Operating activities				
Net loss for the period	$	(1,736,353)	$	(193,082)
Items not involving cash:				
Share-based payments		276,997		-
Changes in non-cash working capital balances:				
Amounts receivable and prepaid expenses		(773,542)		(78,127)
Accounts payable and accrued liabilities		276,380		(55,211)
Due to related parties, net		(24,000)		29,649
Net cash used in operating activities		(1,980,518)		(296,771)
Investing activities				
Acquisition of exploration and evaluation assets		(500,000)		(45,500)
Cash used in investing activities		(500,000)		(45,500)
Financing activities				
Proceeds from financing		1,000,000		240,050
Share issue costs		(66,963)		-
Proceeds from exercise of warrants		14,000		32,280
Net cash provide from financing activities		947,037		272,330
Net decrease in cash during the period		(1,533,481)		(69,941)
Cash, beginning of the period		2,158,688		223,239
Cash, end of the period	$	625,207	$	153,298
Supplemental information				
Shares issued for exploration and evaluation assets	$	2,290,500.00	$	-
Fair value of shares issued to finders	$	35,232.00	$	-
Fair value of warrants exercised	$	11,550.00	$	71,964.00

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

1. Nature of Operations and Going Concern

First Energy Metals Limited ("First Energy" or the "Company") was incorporated on October 12, 1966 in the Province of British Columbia under the Business Corporations Act of British Columbia, and its principal business activity is the exploration of mineral properties in Canada.

The Company's head office and principal address is Suite 2421 – 1055 West Georgia Street, Vancouver, B.C., Canada, V6E 3P3. The Company's registered and records office is 25^{th} Floor-700 West Georgia Street, Vancouver, B.C., Canada, V7Y 1B3.

These condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. If the going concern assumption is not appropriate for these financial statements, then adjustments would be necessary to the carrying amount of assets and liabilities, the reported revenue and expenses and the balance sheet classifications used.

In March 2020, the World Health Organization declared coronavirus COVID-19, a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, have adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. To date, the Company has not experienced any significant impact to its business, results of operations, financial position and cash flows as result of the pandemic. However, it is not possible for the Company to predict the duration or magnitude of the adverse results of the pandemic and its impact on the Company's future business or results of operations.

During the period ended June 30, 2021, the Company experienced operating losses and negative operating cash flows with the operations of the Company having been primarily funded by the issuance of share capital. The Company expects to incur further losses in the development of its business, and these matters are indicative of the existence of material uncertainty that casts significant doubt as to the Company's ability to continue as a going concern.

The Company will need to raise sufficient funds as the Company's current assets are not sufficient to finance its operations and administrative expenses. The Company is evaluating financing options including, but not limited to, the issuance of additional equity and debt. The Company has no assurance that such financing will be available or be available on favourable terms. Factors that could affect the availability of financing include the Company's performance (as measured by numerous factors including the progress and results of its projects), the state of international debt and equity markets, investor perceptions and expectations and the global financial and metals markets. In addition to evaluating financing options, the Company has also implemented cost savings measures.

The COVID-19 pandemic also creates uncertainty in respect to global economic and market conditions however its specific, identifiable impact on the Company has not, to date, been material. Future developments in the course of the pandemic could negatively impact the Company's operations, however such future outcomes cannot currently be predicted beyond those expected to affect society as a whole. Like all entities and individuals, the Company is subject to the COVID-19-related restrictions and mandates instituted by the government of British Columbia, and continues to comply with all such requirements in the context of its continuing operations.

2. Significant Accounting Policies

(a) Statement of Compliance

These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standard, Interim Financial Reporting ("IAS 34") as issued by the International Accounting Standards Board ("IASB"). The policies applied in these financial statements are based on International Financial Reporting Standards ("IFRS") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") issued and outstanding as at August 27, 2021, the date the board of directors approved these unaudited condensed interim financial statements for issue.

2. Significant Accounting Policies (continued)

(b) Basis of preparation

These unaudited condensed interim financial statements, prepared in conformity with IAS 34, follow the same accounting policies and methods of computation as the most recent audited annual financial statements.

Since these unaudited condensed interim financial statements do not include all disclosures required by the International Financial Reporting Standards ("IFRS") for annual financial statements, they should be read in conjunction with the Company's annual financial statements for the year ended March 31, 2021.

(c) Basis of Measurement and Presentation

These unaudited condensed interim financial statements have been prepared using the historical cost convention using the accrual basis of accounting except for some financial instruments, which have been measured at fair value. In the opinion of management, all adjustments (including normal recurring accruals) considered necessary for a fair presentation have been included.

(d) Comparative figures

Certain comparative figures have been reclassified to conform to the current period's presentation

3. Critical Accounting Judgments and Estimates

The preparation of financial statements requires management to make judgments and estimates that affect the amounts reported in the financial statements and notes. By their nature, these judgments and estimates are subject to change and the effect on the financial statements of changes in such judgments and estimates in future periods could be material. These judgments and estimates are based on historical experience, current and future economic conditions, and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these judgments and estimates. The more significant areas are as follows:

(a) Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 9.

(b) Going Concern

The assessment of the Company's ability to raise sufficient funds to finance its exploration and administrative expenses involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(c) Intangible Exploration and Evaluation Assets

Management is required to assess impairment in respect of intangible exploration and evaluation assets. Note 6 discloses the carrying value of such assets. The triggering events for the potential impairment of exploration and evaluation assets are defined in IFRS 6 *Exploration for and Evaluation of Mineral Properties* and are as follows:

- the period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

(Unaudited - expressed in Canadian dollars)

3. Critical Accounting Judgments and Estimates (continued)

(c) Intangible Exploration and Evaluation Assets (continued)

- sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

In making the assessment, management is required to make judgments as to the status of each project and its future plans towards finding commercial reserves. The nature of exploration and evaluation activity is such that only a proportion of projects are ultimately successful and accordingly some assets are likely to become impaired in future periods.

(d) Deferred Tax Assets

Deferred income tax asset carrying amounts depend on estimates of future taxable income and the likelihood of reversal of timing differences. Where reversals are expected, estimates of future tax rates will be used in the calculation of deferred tax asset carrying amounts. Potential tax assets were considered not to be recoverable at the current year end.

4. Amounts Receivable and Prepaid Expenses

		June 30, 2021		March 31, 2021
GST/HST	$	81,393	$	34,975
Prepayments and other receivable		816,031		88,907
Total	$	897,424	$	123,882

5. Exploration and Evaluation Assets

Exploration and evaluation assets deferred to the statements of financial position at June 30, 2021 and March 31, 2021 are as follows:

		March 31, 2021		Additions		Write-off		June 30, 2021
Abitibi Lithium	$	-	$	1,767,000	$	-	$	1,767,000
Augustus Lithium		112,500		-		-		112,500
Bald Eagle		-		203,500		-		203,500
Canadian Lithium		80,000		-		-		80,000
Kokanee Creek		163,375		-		-		163,375
McNeely Lithium		-		820,000		-		820,000
Phyllis Cobalt		201,750		-		-		201,750
Scramble Mine		66,000		-		-		66,000
Shaw Gold		130,000		-		-		130,000
Titan Gold		132,500		-		-		132,500
	$	886,125	$	2,790,500	$	-	$	3,676,625

(a) Bald Eagle Silver Property

The Company acquired a 100% interest in the Bald Eagle Silver property issuing 550,000 common shares on April 20, 2021. Bald Eagle is subject to a 2.0% Net Smelter Return ("NSR") royalty of which the Company will have the option to reduce the NSR by 1.0% to 1.0% by paying $500,000.

The Bald Eagle property is located in the Alberni Mining Division of British Columbia and consists of 3 mining claims covering 1,014 hectares.

(Unaudited - expressed in Canadian dollars)

5. Exploration and Evaluation Assets (continued)

(b) Kokanee Creek and Independence Gold Properties

On March 17, 2020, the Company entered in an option agreement to acquire a 100% interest in the Kokanee Creek and Independence Gold Properties (the "Properties"). The Properties are located in British Columbia and consist of 5 claims covering 2,690 hectares.

Under the terms of the Properties option agreement, the Company has the option to acquire a 100% interest in the Kokanee Creek Property and Independence Gold Property by completing the following option payments, common share issuances and exploration expenditures:

Due Dates	Option payments ($)	Issuance of First Energy common shares	Minimum exploration expenditures ($)	Cumulative exploration expenditure ($)
On signing (paid)	10,000	Nil	Nil	Nil
December 31, 2021	40,000	2,500,000 (issued)	100,000	100,000
March 31, 2022	75,000	2,500,000	150,000	250,000

The Properties are subject to a 3.0% Net Smelter Return ("NSR") royalty of which the Company will have the option to reduce the NSR by 2.0% by paying $1,000,000 for each 1% of the NSR.

During the year ended March 31, 2021, the Company announced it would not be pursuing any further exploration work on the Independence Gold property and as a result has written-off all deferred costs incurred to date.

(c) Phyllis Cobalt Property

On January 29, 2018, the Company entered into an option agreement to acquire a 100% interest in certain mineral claims (the "Phyllis Property") covering 1,750 hectares located in the Kenora Mining District in northwestern Ontario, Canada.

On January 29, 2019, March 15, 2019 and again on December 30, 2019, the Company entered into an amended option agreement (the "Phyllis Amendment Agreement") which amended the due dates for certain cash payments, share issuances and exploration expenditure requirements of the Phyllis Cobalt Agreement, as noted below.

Under the terms of the Phyllis Amendment Agreement, the Company has the option to acquire a 100% interest in the Phyllis Property by completing the following option payments, common share issuances and exploration expenditures:

Due Dates	Option payments ($)	Issuance of First Energy common shares	Minimum exploration expenditures ($)	Cumulative exploration expenditure ($)
On signing	20,000 (paid)	100,000 (issued)	Nil	Nil
September 1, 2020(i)	35,000 (accrued)	150,000 (issued)	75,000 (completed)	75,000 (completed)
December 31, 2020(i)	35,000 (accrued)	150,000 (accrued)	25,000 (completed)	100,000 (completed)
June 1, 2021(i) (outstanding)	50,000	200,000	25,000	125,000

(i) Both parties remain in active negotiations for an amendment agreement. Subsequent to June 30, 2021, cash and share issuances past due remain outstanding and have not been accrued whilst the both parties negotiate an amendment.

(Unaudited - expressed in Canadian dollars)

5. Exploration and Evaluation Assets (continued)

(c) Phyllis Cobalt Property (continued)

Under the Phyllis Amendment Agreement, the Phyllis Property is subject to a 3% NSR royalty upon commencement of commercial production. The Company will have the option to reduce the NSR to 2.0% by paying $1,000,000.

(d) Red Lake Property

On September 14, 2020, the Company entered in an option agreement to acquire a 100% interest in the Red Lake Property ("Red Lake"). The Red Lake property is located in the Red Lake Mining District of Northwestern Ontario and consists of 94 mining cell claims covering 1,880 hectares in the Ball and Todd townships.

On February 28, 2021, the Company entered into an amended option agreement which amended the due dates for certain cash payments, share issuances and exploration expenditure requirements of the Properties Option Agreement, as noted below.

Under the terms of the amended Red Lake option agreement, the Company has the option to acquire a 100% interest in the Red Lake Property by completing the following option payments, common share issuances and exploration expenditures, subject to regulatory approval:

Due Dates	Option payments ($)	Issuance of First Energy common shares	Minimum exploration expenditures ($)	Cumulative exploration expenditure ($)
July 31, 2021	10,000	250,000	Nil	Nil
December 31, 2021	Nil	Nil	100,000	100,000
March 31, 2022	50,000	2,500,000	Nil	100,000
July 31, 2022	Nil	Nil	150,000	250,000

The Properties are subject to a 3.0% NSR royalty, with the Company having the option to reduce the NSR by 1.5% to 1.5% by paying $250,000.

(e) Scramble Mine Gold Property

On June 2, 2020, the Company entered into an option agreement to acquire a 100% interest in certain mineral claims (the "Scramble Mine Gold Property") located in the Kenora Mining District in northwestern Ontario, Canada.

Under the terms of the Scramble Mine Option Agreement, the Company has the option to acquire a 100% interest in the Scramble Mine Gold Property by completing the following option payments, common share issuances and exploration expenditures:

Due Dates	Option payments ($)	Issuance of First Energy common shares	Minimum exploration expenditures ($)	Cumulative exploration expenditure ($)
On signing (issued)	Nil	400,000	Nil	Nil
September 1, 2020	Nil	-	30,000	30,000
June 2, 2021	Nil	300,000	40,000	70,000
June 2, 2022	Nil	300,000	80,000	150,000
June 2, 2023	100,000	Nil	100,000	250,000

(i) Both parties remain in active negotiations for an amendment agreement. Subsequent to June 30, 2021, cash and share issuances past due remain outstanding and have not been accrued whilst the both parties negotiate an amendment

(Unaudited - expressed in Canadian dollars)

5. Exploration and Evaluation Assets (continued)

(e) Scramble Mine Gold Property

The Scramble Mine Gold Property is subject to a 3.0% NSR royalty. The Company will have the option to reduce the NSR by 1.0% to 2.0% by paying $500,000.

(f) Shaw Gold Property

On September 18, 2020, the Company entered into an option agreement with Gravel Ridge Resources Ltd. to acquire a 100% interest in the Shaw Gold Property ("Shaw Gold"). Shaw Gold is located in Timmins Area Ontario, Canada and is comprised of 18 claims covering approximately 693 hectares in the Shaw, Eldorado and Whitney Townships near Timmins, Ontario.

Under the terms of the option agreement, the Company has the option to acquire a 100% interest in the Shaw Gold property by completing the following option payments, common share issuances and exploration expenditures, subject to regulatory approval:

Due Dates	Option payments ($)	Issuance of First Energy common shares
On signing (paid and issued)	10,000	600,000
September 18, 2021	18,000	Nil
September 18, 2022	28,000	Nil
September 18, 2023	40,000	Nil

The Properties are subject to a 1.5% Net Smelter Return ("NSR") royalty. The Company will have the option to reduce the NSR by 0.5% to 1.0% by paying $500,000.

(g) Titan Gold Property

On October 2, 2020, the Company entered into an option agreement with Gravel Ridge Resources Ltd. to acquire a 100% interest in the Titan Gold Property ("Titan Gold"). Titan Gold is located in the Abitibi area of Western Quebec, Canada and is comprised of 80 mining claims covering approximately 4,334 hectares.

Under the terms of the option agreement, the Company has the option to acquire a 100% interest in the Titan Gold property by completing the following option payments, common share issuances and exploration expenditures, subject to regulatory approval:

Due Dates	Option payments ($)	Issuance of First Energy common shares
On signing (paid and issued)	12,500	600,000
October 2, 2021	18,000	Nil
October 2, 2022	28,000	Nil
October 2, 2023	40,000	Nil

The Properties are subject to a 1.5% NSR royalty. The Company will have the option to reduce the NSR by 0.5% to 1.0% by paying $500,000.

(Unaudited - expressed in Canadian dollars)

5. Exploration and Evaluation Assets (continued)

(h) Augustus Lithium Property

On January 18, 2021, the Company entered into an option agreement to acquire a 100% interest in the Augustus Lithium property ("Augustus Agreement"). The Augustus Lithium property is comprised of 21 mineral claims covering approximately 937 hectares located in the Abitibi area of western Quebec.

Under the terms of the Augustus Agreement, the Company has the option to acquire a 100% interest in the property by completing the following option payments, common share issuances and exploration expenditures:

Due Dates	Option payments ($)	Issuance of First Energy common shares	Minimum exploration expenditures ($)	Cumulative exploration expenditure ($)
On signing (paid and issued)	35,000	500,000	Nil	Nil
January 18, 2022	40,000	500,000	50,000	50,000
January 18, 2023	45,000	500,000	150,000	200,000
January 18, 2024	60,000	500,000	350,000	550,000

The Augustus Lithium Property is subject to a 2% NSR royalty. The Company will have the option to reduce the NSR by 1.0% to 1.0% by paying $1,000,000.

(i) Abitibi Lithium Property

On March 12, 2021, the Company entered into a purchase agreement to acquire a 100% interest in the Abitibi Lithium property ("Abitibi Agreement"). The Abitibi Lithium property is comprised of 242 mineral claims covering approximately 12,769 hectares located in the Abitibi area of western Quebec.

Under the terms of the Abitibi Agreement, the Company will acquire a 100% interest in the Abitibi Lithium property by of issuing 4,100,000 common shares of the Company and by paying $250,000 (issued and paid on April 20, 2021). The Abitibi Lithium Property is subject to a 3% NSR royalty, which the Company will have the option to reduce the NSR by 1.0% to 2.0% by paying $1,000,000.

(j) Canadian Lithium Property

On February 3, 2021, the Company entered into an option agreement to acquire a 100% interest in the Canadian Lithium property ("Canadian Lithium Agreement"). The Canadian Lithium property is comprised of 12 mineral claims covering approximately 671 hectares located in the Landrienne Township area of Quebec.

Under the terms of the Canadian Lithium Agreement, the Company has the option to acquire a 100% interest in the property by completing the following option payments, common share issuances and exploration expenditures:

Due Dates	Option payments ($)	Issuance of First Energy common shares
On signing (paid and issued)	15,000	325,000
February 3, 2022	20,000	250,000
February 3, 2023	25,000	300,000

The Canadian Lithium Property is subject to a 2% NSR royalty. The Company will have the option to reduce the NSR by 1.0% to 1.0% by paying $1,000,000.

(Unaudited - expressed in Canadian dollars)

5. Exploration and Evaluation Assets (continued)

(k) McNeely Lithium Property

On June 9, 2021, the Company acquired a 100% interest in the McNeely Lithium Property, located in Quebec, by issuing 2,000,000 common shares and paying $250,000, pursuant to the McNeely Lithium Property purchase agreement. The McNeely Lithium Property is subject to a 3.0% Gross Metal Royalty ("GMR"). The Company will have the option to reduce the NSR by 1.0% to 1.0% by paying $1,000,000. Certain of the claims are subject to a pre-existing 1.0% NSR.

Exploration and evaluation expenditures recorded in the statements of loss and comprehensive loss for the three months ended June 30, 2021 and 2020 are as follows:

Three months ended June 30, 2021	Assay and sampling	Drilling and mobilization	Field expenditures	Geological Consulting	Geological and Technical Services	Land claims and property taxes	**Total June 30, 2021**
British Columbia							
Kokanee Creek	$ -	$ -	$ 17,000	$ 47,500	$ 10,000	$ -	$ 74,500
Ontario							
Phyllis Cobalt	-	11,250	-	-	-	-	11,250
Quebec							
Titan Gold	-	-	-	75	-	-	75
Augustus Lithium and Canadian Lithium	74,553	597,284	112,866	91,713	14,883	-	891,299
General Exploration	-	-	-	-	1,237	-	1,237
Total	$ 74,553	$ 608,534	$ 129,866	$ 139,288	$ 26,120	$ -	$ 978,361

Three months ended June 30, 2020	Assay and sampling	Drilling and mobilization	Field expenditures	Geological Consulting	Geological and Technical Services	Land claims and property taxes	**Total June 30, 2020**
British Columbia							
Kokanee Creek	$ -	$ -	$ -	$ -	$ -	$ 1,200	$ 1,200
Ontario							
Scramble Mine Gold	-	-	-	34,762	-	-	34,762
Total	$ -	$ -	$ -	$ 34,762	$ -	$ 1,200	$ 35,962

6. Accounts Payable and Accrued Liabilities

	June 30, 2021	**March 31, 2021**
Trade and other payables	$ 644,342	$ 247,687
Accrued liabilities	16,000	136,275
Total	$ 660,342	$ 383,962

(Unaudited - expressed in Canadian dollars)

7. Related Party Transactions and Balances

Remuneration of directors and key management personnel of the Company for the three months ended June 30, 2021 and 2020 were as follows:

		For the three months ended June 30,		
		2021		**2020**
Consulting fees charged by directors of the Company	$	2,500	$	5,000
Salaries, fees and benefits		45,000		28,500

Related party balances as at June 30, 2021 and March 31, 2021 were as follows:

		June 30, 2021		**March 31, 2021**
Amounts due to Directors and Officers of the Company	$	45,665	$	71,665
Amounts due to companies controlled by directors and officers		20,700		18,700
	$	66,365	$	90,365

The directors' and officers' balances also include fees and expenses owing to directors and officers incurred in the normal course of business.

8. Share Capital

(a) Authorized - Unlimited number of common shares without par value.

(b) Issued share capital

The Company had 59,288,894 common shares issued and outstanding as at June 30, 2021 and 49,522,670 common shares issued and outstanding as at March 31, 2021.

Fiscal 2022

During the three months ended June 30, 2021:

i) On April 20, 2021, in connection with the private placement closed on March 4, 2021, the Company issued 198,161 common shares valued at $35,232, pursuant to a finders' agreement;

ii) On April 20, 2021, the Company issued 4,100,000 common shares valued at $1,517,000, pursuant to the purchase agreement, to acquire 100% interest in the Abitibi Lithium Property (see Note 5);

iii) On April 20, 2021, the Company issued 550,000 common shares valued at $203,500, pursuant to the Bald Eagle Silver Property option agreement (see Note 5);

iv) On June 3, 2021, closed a non-brokered private placement for aggregate gross proceeds of $1,000,000 through the issuance of 2,003,376 flow-through units ("FT Units") at $0.385 per FT Unit for proceeds of $771,300 and through the issuance of 682,687 units ("Units") at $0.335 per Unit for gross proceeds of $228,700. Each FT Unit consists of one common share and one-half common share purchase warrant. Each whole warrant entitles the holder to purchase one common share at a price of $0.45 for a period of two years from the issue date. Each Unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.40 for a period of two years from the issue date. The share purchase warrants were valued using the Black-Scholes pricing model with the following assumptions: weighted average risk-free interest rate of 0.32%, volatility factor of 231.77% and an expected life of two years. Share issue costs were $102,195, which included a finder's fee of 8% paid in connection with the above noted private placement consisting of $64,963 cash, and issuance of 105,169 compensation units fair valued at $35,232 using the Black-Scholes pricing model as above;

v) On June 9, 2021, the Company acquired a 100% interest in the McNeely Lithium Property, by issuing 2,000,000 common shares valued at $820,000, pursuant to the McNeely Lithium Property purchase agreement (see Note 5); and

(Unaudited - expressed in Canadian dollars)

8. Share Capital (continued)

(b) Issued share capital (continued)

vi) The Company issued an aggregate of 232,000 common shares for gross proceeds of $49,200 pursuant to the exercise of share purchase warrants. Fair value of the warrants exercised was $11,150.

Fiscal 2021

During the three months ended June 30, 2020:

i) the Company issued 1,269,000 common shares pursuant to the exercise of share purchase warrants for total proceeds of $152,280. At June 30, 2020, $120,000 in proceeds were included in share subscription receivable. The full amount has subsequently been received. Fair value of the warrants exercised was $71,964; and

ii) the Company received payment of $240,050 for share subscriptions outstanding at March 31, 2020.

c) Stock Options

The Company has a shareholder approved "rolling" stock option plan (the "Plan") in compliance with the TSX-V's policies. Under the Plan, the maximum number of shares reserved for issuance may not exceed 10% of the total number of issued and outstanding common shares at the time of granting. The exercise price of each stock option shall not be less than the discounted market price of the Company's stock at the date of grant. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not, within a twelve-month period, exceed five percent (5%) of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed, within a twelve-month period, two percent (2%) of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position.

The continuity for stock options for the three months ended June 30, 2021 is as follows:

Balance, fully vested and exercisable at March 31, 2021	3,940,000	$0.26
Granted	850,000	$0.35
Balance, fully vested and exercisable at June 30, 2021	4,790,000	$0.27

As at June 30, 2021, the following stock options were outstanding:

Expiry Date	Number Outstanding and Exercisable	Weighted average exercise price	Average Remaining Contractual Life
February 9, 2026	2,640,000	$0.21	4.62
February 11, 2026	1,300,000	$0.35	4.62
May 14, 2026	850,000	$0.35	4.87
	4,790,000	$0.27	4.66

d) Share Purchase Warrants

The continuity for share purchase warrants for the three months ended June 30, 2021 is as follows:

Balance, March 31, 2021	10,095,661	0.40
Granted	1,684,376	0.43
Exercised	(232,000)	0.21
Balance, June 30, 2021	11,548,037	0.40

(Unaudited - expressed in Canadian dollars)

8. Share Capital (continued)

d) Share Purchase Warrants (continued)

As at June 30, 2021, the following share purchase warrants issued in connection with private placements were outstanding:

Exercise Price	Expiry Date	Number Outstanding and Exercisable	Average Remaining Contractual Life
$0.40	December 31, 2023	2,650,000	2.51
$0.25	December 31, 2023	14,000	2.51
$0.40	March 4, 2023	7,199,661	1.68
$0.40	June 3, 2023	682,688	1.95
$0.45	June 3, 2023	1,001,688	1.95
		11,548,037	1.91

e) Share-Based Payments Reserve

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments. This reserve also includes the value attributed to warrants on unit private placements. At the time that the stock options or warrants are exercised, the corresponding amount will be transferred to share capital.

The fair value of each option granted to employees, officers, and directors was estimated on the date of grant using the Black-Scholes option-pricing model.

Fiscal 2022

On May 14, 2021, the Company granted 850,000 incentive stock options to directors, officers and consultants and all of which vested at the date of grant. The options are exercisable at $0.35 per share, expiring on May 14, 2026. The fair value of these options was $276,997 and was calculated using the Black-Scholes pricing model, based on the following assumptions: weighted average risk-free interest rate of 0.94%, volatility factor of 223% and an expected life of five years.

9. Segmented Information

The Company operates in one business segment being the acquisition and exploration of exploration and evaluation assets and operates in one geographic segment being Canada. The total assets relate to exploration and evaluation assets and have been disclosed in Note 5.

10. Financial Instruments and Risk Management

Fair Value

IFRS 7 establishes a fair value hierarchy that prioritizes the input to valuation techniques used to measure fair value as follows:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability; and

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

(Unaudited - expressed in Canadian dollars)

10. Financial Instruments and Risk Management (continued)

The following provides the valuation method of the Company's financial instruments as at June 30, 2020 and March 31, 2020:

	Level		June 30, 2021		March 31, 2021
Cash	1	$	625,207	$	2,158,688
Reclamation deposits	1		11,000		11,000
Financial Liabilities	1		726,707		704,327

Financial Risk Management

The Company's activities expose it to a variety of financial risks including credit risk, liquidity risk and market risk.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments. The Company attempts to manage liquidity risk by maintaining a sufficient cash balance. As at June 30, 2021, the Company had cash of $625,707 to settle current liabilities of $726,707. Further information relating to liquidity risk is disclosed in Note 1.

Interest Rate Risk

The Company has no significant exposure at June 30, 2020, to interest rate risk through its financial instruments.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk consist of cash, short-term investment, reclamation bonds and amounts receivable. The carrying amount of financial assets recorded in the consolidated financial statements, net of any allowances for losses, represents the maximum exposure to credit risk.

The Company deposits its cash with a high credit quality major Canadian financial institution as determined by ratings agencies. The Company does not invest in asset-backed deposits or investments and does not expect any credit losses. To reduce credit risk, the Company regularly reviews the collectability of its amounts receivable and establishes an allowance based on its best estimate of potentially uncollectible amounts. The Company historically has not had difficulty collecting its amounts receivable.

Currency Risk

The Company has no significant exposure at June 30, 2021, to currency risk through its financial instruments.

Financial assets and financial liabilities that bear interest at fixed rates are subject to fair value interest rate risk. In respect of financial assets, the Company's policy is to invest cash at floating rates of interest in order to maintain liquidity while achieving a satisfactory return. Fluctuations in interest rates impact the amount of return the Company may realize but interest rate risk is not significant to the Company.

There were no transfers from levels or change in the fair value measurements of financial instruments for the period ended June 30, 2021 and year ended March 31, 2021.

11. Management of Capital

The Company primarily considers shareholders' equity in the management of its capital. The Company manages its capital structure and makes adjustments to it based on funds available to the Company, in order to support exploration and development of mineral properties. The Board of Directors has not established quantitative capital structure criteria management but will review on a regular basis the capital structure of the Company to ensure its appropriateness to the stage of development of the business.

The Company's objectives when managing capital are:

• To maintain and safeguard its accumulated capital in order to provide an adequate return to shareholders by maintaining sufficient level of funds, to support continued evaluation and maintenance of the Company's existing properties, and to acquire, explore and develop other precious metals, base metals and industrial mineral deposits;

• To invest cash on hand in highly liquid and highly rated financial instruments with high credit quality issuers, thereby minimizing the risk and loss of principal; and

• To obtain the necessary financing if and when it is required.

The properties in which the Company currently holds an interest are in the exploration stage and the Company is dependent on external financing to explore and take the project to development. In order to carry out planned exploration and development and pay for administrative costs, the Company will spend its existing working capital and attempt to raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

In order to facilitate the management of capital and development of its mineral properties, the Company's management informs the Board of Directors as to the quantum of expenditures for review and approval prior to commencement of work. In addition, the Company may issue new equity, incur additional debt, enter into joint venture agreements or dispose of certain assets. When applicable, the Company's investment policy is to hold cash in interest bearing accounts at high credit quality financial institutions to maximize liquidity. In order to maximize ongoing development efforts, the Company does not pay dividends. The Company expects to continue to raise funds, from time to time, to continue meeting its capital management objectives.

There were no changes in the Company's approach to capital management during the period ended June 30, 2021, compared to the year ended to March 31, 2021. The Company is not subject to externally imposed capital requirements. Further information relating to management of capital is disclosed in Note 1.

12. Subsequent event

On July 13, 2021, the Company has granted incentive stock options to certain directors, officers and consultants to purchase up to an aggregate of 900,000 common shares under the Company's Incentive Stock Option Plan. The options will be exercisable for a period of five (5) years, at an exercise price of $0.25 per share.