Maxtech Ventures Inc.

Condensed Interim Consolidated Financial Statements

For the nine months ended

April 30, 2021 and 2020

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of Maxtech Ventures Inc. ("Maxtech" or the "Company") for the interim periods ended April 30, 2021 and 2020 have been prepared in accordance with the International accounting Standard 34 - *Interim Financial Reporting* as issued by the International Accounting Standards Board and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these interim financial statements.

Maxtech Ventures Inc.

Condensed Interim Consolidated Statements of Financial Position

(Unaudited – Prepared by Management)

As at April 30, 2021 and July 31, 2020

	Note	**April 30, 2021 $**	July 31, 2020 $
Assets			
Current assets			
Cash		180,890	59,716
Sales tax receivable		84,295	-
Prepaid expenses		103,997	13,125
		369,182	72,841
Non-current assets			
Prepaid exploration expenditures	3	359,704	-
Exploration and evaluation assets	3	2,055,681	753,793
Total assets		**2,784,567**	826,634
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		510,085	574,647
Due to related parties	6	25,187	8,405
Flow-through premium liability	10	11,290	3,610
Total liabilities		**546,562**	586,662
Shareholders' equity			
Share capital	4	14,451,464	12,246,344
Reserves	4	639,460	471,785
Contributed surplus	4	7,467,213	7,467,213
Deficit		(20,320,132)	(19,945,370)
Total shareholders' equity		**2,238,005**	239,972
Total liabilities and shareholders' equity		**2,784,567**	826,634

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Approved on behalf of the Board of Directors on June 29, 2021:

"Peter Wilson" **Director** *"Eugene Hodgson"* **Director**

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

Maxtech Ventures Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity (Deficiency)
(Unaudited – Prepared by Management)

For the nine months ended April 30, 2021 and April 30, 2020

	Number of shares #	Share capital $	Reserves $	Contributed surplus $	Deficit $	Total shareholders' equity $
August 1, 2019	57,564,862	11,143,360	-	7,467,213	(18,769,953)	(159,380)
Private placements	7,800,438	240,270	189,096	-	-	429,366
Private placement - non-flow-through units	4,057,406	381,092	-	-	-	381,092
Flow -through premium	-	(40,574)	-	-	-	(40,574)
Common shares issued - debt settlement	1,240,000	64,100	2,270	-	-	66,370
Common shares issued - exploration and evaluation assets	2,000,000	127,000	-	-	-	127,000
Share-based compensation	-	-	293,922	-	-	293,922
Loss and comprehensive loss for the period	-	-	-	-	(936,248)	(936,248)
April 30, 2020	72,662,706	11,915,248	485,288	7,467,213	(19,706,201)	161,548
August 1, 2020	75,574,470	12,246,344	471,785	7,467,213	(19,945,370)	239,972
Private placement - non-flow-through units	16,099,294	1,325,619	42,821	-	-	1,368,440
Private placement - flow-through units	7,539,842	626,541	89,744	-	-	716,285
Flow-through premium	-	(79,741)	-	-	-	(79,741)
Units issued - debt settlement	444,706	37,800	-	-	-	37,800
Common shares issued - debt settlement	195,000	19,500	-	-	-	19,500
Common shares issued - exploration and evaluation assets	5,666,666	360,000	12,264	-	-	372,264
Share issue costs	-	(84,599)	22,846	-	-	(61,753)
Loss and comprehensive loss for the period	-	-	-	-	(374,762)	(374,762)
April 30, 2021	**105,519,978**	**14,451,464**	**639,460**	**7,467,213**	**(20,320,132)**	**2,238,005**

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

Maxtech Ventures Inc.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited – Prepared by Management)

For the three and nine months ended April 30, 2021 and April 30, 2020

		Three months ended		Nine months ended	
		April 31,	April 30,	**April 30,**	April 30,
		2021	2020	**2021**	2020
	Note	**$**	$	**$**	$
Expenses					
Consulting and management fees	6	52,929	122,253	240,233	256,753
Office facilities and administration		36,303	15,322	41,057	33,340
Professional fees	6	18,735	19,181	71,678	36,402
Public relations and advertising		52,408	76,813	56,008	127,513
Share-based compensation	4,6	-	59,439	-	293,922
Transfer agent and filing fees		1,450	6,527	24,143	34,448
Loss from operating expenses		**(161,825)**	(299,535)	**(433,119)**	(782,378)
Gain on debt settlement		-	20,530	-	31,530
Impairment of exploration and evaluation assets	3	-	(185,400)	(13,703)	(185,400)
Other income on settlement of flow-through premium liability	10	46,134	-	72,060	-
Loss and comprehensive loss for the period		**(115,691)**	(464,405)	**(374,762)**	(936,248)
Loss per share					
Weighted average number of common shares outstanding					
- basic #	5	**99,786,232**	69,662,553	**94,651,917**	65,091,439
- diluted #	5	**99,786,232**	69,662,553	**94,651,917**	65,091,439
Basic loss per share $	5	**(0.00)**	(0.01)	**(0.00)**	(0.01)
Diluted loss per share $	5	**(0.00)**	(0.01)	**(0.00)**	(0.01)

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

Maxtech Ventures Inc.

Condensed Interim Consolidated Statements of Cash Flows
(Unaudited – Prepared by Management)

For the nine months ended April 30, 2021 and April 30, 2020

	Note	**April 30, 2021 $**	April 30, 2020 $
Operating activities			
Loss for the period		(374,762)	(936,248)
Impairment of exploration and evaluation assets		13,703	185,400
Share-based compensation		-	293,922
Gain on debt settlement		-	(31,530)
Other income on settlement of flow-through premium liability		(72,060)	-
Net change in non-cash working capital items	7	(155,811)	(18,962)
		(588,930)	(507,418)
Financing activities			
Issue of common shares/units for cash		2,084,725	816,458
Share issue costs		(61,753)	-
		2,022,972	816,458
Investing activities			
Prepaid exploration expenditures		(650,000)	-
Mineral property acquisition costs		(300,000)	-
Exploration and evaluation expenditures		(362,868)	(23,529)
		(1,312,868)	(23,529)
Net increase in cash		**121,174**	285,511
Cash, beginning of period		**59,716**	-
Cash, end of period		**180,890**	285,511

Supplemental cash flow information	7		

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

1. Nature of operations and going concern

Maxtech Ventures Inc. (the "Company") was incorporated on April 19, 2000, under the laws of the province of British Columbia, Canada. The Company's shares are traded on the Canadian Securities Exchange (the "CSE") under the symbol "MVT". The Company is in the business of exploration and evaluation of mineral property interests in Ontario and Quebec.

The head office, principal address and records office of the Company are located at 702 - 595 Howe Street, Vancouver, B.C. V6C 2T5.

The Company's principal business activity is the acquisition, exploration and evaluation of mineral properties. The Company has been exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition or option of the mineral property interests. The carrying amounts of mineral properties are based on costs incurred to date, and do not necessarily represent present or future values.

These condensed interim consolidated financial statements (the "financial statements") are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. The Company does not have revenues and has incurred operating losses since incorporation. As at April 30, 2021, the Company had a working capital deficit of $177,380 (July 31, 2020 – $513,821). The Company will continue to seek the funding necessary to enable it to carry on as a going concern, but management cannot provide assurance that the Company will be able to raise additional debt and/or equity capital or conclude a corporate transaction. If the Company is unable to raise additional funds in the immediate future, management expects that the Company will need to curtail operations, liquidate assets, seek additional capital on less favorable terms and/or pursue other remedial measures or cease operations. Management is aware in making its assessment of material uncertainties related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern. The Company will continue to seek cost saving measures, project partners, merger/acquisition or financing opportunities where available (see note 11 for details in respect of a subsequent financing completed). These financial statements do not include any adjustments related to the recoverability and classification of assets or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In March 2020, there was a global outbreak of COVID-19 which has had a significant impact on businesses through the restrictions put in place by International governments regarding travel, business operations and isolation/quarantine orders. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's ability to raise capital or conduct exploration activities. There are travel restrictions and health and safety concerns in all areas in which the Company operates, that may prohibit or delay exploration programs from proceeding. Operations will depend on obtaining necessary field supplies, obtaining contractor services and safeguarding all personnel during the outbreak, which may be prohibitive or too costly. To date, the restricted nature of the Company's activities has not qualified it for the various Government wage and loan subsidies.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in conformity with International Accounting Standard (“IAS”) 34, *Interim Financial Reporting*, using the same accounting policies as detailed in the Company‘s annual audited consolidated financial statements for the year ended July 31, 2020, and do not include all the information required for full annual consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that these financial statements be read in conjunction with the annual audited consolidated financial statements.

These financial statements have been prepared on an historical cost basis, except for financial instruments which are classified as fair value through profit or loss (“FVTPL”). In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

All amounts on these financial statements are presented in Canadian dollars which is the functional currency of the Company.

(b) Significant accounting standards

Except as set out below, the accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent annual audited consolidated financial statements and are those the Company expects to adopt in its financial statements for the year ended July 31, 2021. Accordingly, these financial statements should be read in conjunction with the Company’s most recent annual audited consolidated financial statements.

(c) Principles of consolidation

Subsidiaries are entities controlled by the Company and are included in the financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are changed where necessary to align them with the policies adopted by the Company.

These financial statements include the accounts of the Company and its controlled subsidiaries as follows:

Name	Status	Ownership	Place of Incorporation
Maxtech Mining Zambia Ltd.	Inactive	100%	Zambia
Emerging Minerals Corp. ("Emerging Minerals")	Inactive	53%	BC, Canada
Exercised International Ltd. ("Eotheme")	Inactive	100%	Wyoming, USA

All intercompany balances and transactions between the Company and its subsidiaries have been eliminated on consolidation.

3. Exploration and evaluation assets

Changes in the project carrying amounts for the nine months ended April 30, 2021 and for the year ended July 31, 2020 are summarized as follows:

	Panama Lake Gold Project $	Lac Patu Vanadium Project $	James Bay Project $	St. Anthony Gold Project $	Other $	Total $
Balance, August 1, 2019	-	165,000	-	-	17,566	182,566
Acquisition	174,400	-	5,000	-	-	179,400
Drilling	260,703	-	-	-	-	260,703
Geologist and consulting	121,657	-	-	-	(3,863)	117,794
Helicopter	128,323	-	-	-	-	128,323
Travel	50,007	-	-	-	-	50,007
Impairment	-	(165,000)	-	-	-	(165,000)
Balance, July 31, 2020	735,090	-	5,000	-	13,703	753,793
Balance, August 1, 2020	735,090	-	5,000	-	13,703	753,793
Acquisition	100,000	-	-	572,264	-	672,264
Administration	-	-	535	23,730	-	24,265
Construction	-	-	-	471,193	-	471,193
Geologist and consulting	1,678	-	-	126,741	-	128,419
Travel	795	-	-	18,655	-	19,450
Impairment	-	-	-	-	(13,703)	(13,703)
Balance, April 30, 2021	**837,563**	**-**	**5,535**	**1,212,583**	**-**	**2,055,681**

Panama Lake Gold Project

On October 22, 2019, the Company entered into an option agreement with Benton Resources Inc. ("Benton") to acquire the right to acquire a 100% interest in Benton's Panama Gold Project in the Red Lake Mining district, Ontario. The purchase and sale of the claims is to be achieved in stages and is conditional upon the following:

- Acceptance for filing of the agreement on behalf of the issuer by the Canadian Securities Exchange (completed);
- The issuance of 2,000,000 shares upon signing the agreement (issued at a fair value of $170,000 ($0.085 per share));
- The payment of either $100,000 cash or the equivalent value in common shares (issued 1,666,666 common shares at a fair value of $100,000 ($0.06 per share)) (note 4(d)) and expenditures by the issuer of $200,000 (incurred) on the property by the first anniversary; and
- The payment of either $100,000 cash or the equivalent value in common shares and expenditures by the issuer of $250,000 on the property by the second anniversary.

At this stage, the Company will have earned an initial 50% interest in the Project. To earn an additional 20% interest, the following is required:

- The payment of either $100,000 cash or the equivalent value in common shares and expenditures by the issuer of $250,000 on the property by the third anniversary.

At this stage, the Company will have earned a 70% interest in the Project. To earn the final 30% interest, the following is required:

- The payment of either $300,000 cash or the equivalent value in common shares and expenditures by the issuer of $300,000 on the property by the fourth anniversary.

3. **Exploration and evaluation assets** (continued)

Lac Patu Vanadium Project

On August 15, 2019, the Company entered into an option agreement to acquire 100% of the Lac Patu Vanadium Project over a 2-year period. The Lac Patu Vanadium Project consists of mineral claims located in Quebec, Canada.

In order to earn the 100% interest, the Company is required to make cash payments totaling $185,000 and issue 3,250,000 common shares as follows:

- Pay $45,000 (paid) and issue 750,000 common shares (issued with a fair value of $120,000 ($0.16 per share)) on signing (issued);
- Pay $60,000 (not paid) and issue 1,000,000 common shares twelve months after signing (not issued); and
- Pay $80,000 and issue 1,500,000 common shares twenty-four months after signing.

The property is subject to a 2% net smelter royalty ("NSR"). The Company may purchase 1% of the NSR for a cash payment of $1,000,000.

The Company abandoned its interest in the Lac Patu Vanadium Project during the year ended July 31, 2020 and therefore recorded an impairment equal to the carrying value of the asset ($165,000).

In connection with the termination of the option agreement, the Company agreed to issue a total of 240,000 units with a fair value of $15,963 ($0.067 per unit) which were issued during the year ended July 31, 2020.

James Bay Project

In January 2020, the Company signed a land package acquisition in James Bay Quebec. The Company owns 100% of the James Bay Project in a gold district in the same greenstone belt as the recent Azimut Exploration Elmer Property.

St. Anthony Gold Project

On March 15, 2021 (the "Effective Date"), the Company and Magabra Resources Inc. ("Magabra"), entered into an Option Agreement (the "Option Agreement") to acquire the exclusive right to acquire an undivided 100% interest in the St. Anthony Gold Project (the "Property"). The signing of this new Option Agreement supersedes a Definitive Joint Venture Earn-in Agreement (the "JV Agreement") signed on October 14, 2020. Claims compiling the Property are located in the Kenora-Patricia mining district in Ontario, Canada.

Pursuant to the Option Agreement, the Company can earn an initial 30% interest (the "First Option") as follows:

- Pay $500,000 on signing towards existing expenditures incurred by Magabra on the project and the Company committing to a $1,500,000 drill program within 10 days representing the first phase of a 5,000 metre initial drill program, Magabra remains the operator in respect to drilling and production at the property;
- Issue 30,000,000 restricted shares of the Company to Magabra whereby no one shareholders will have greater than 10% of the issued and outstanding shares of the Company;
- The Company assumes all responsibilities for payments on the property; and
- Magabra has the right to appoint 2 Directors to the board of the Company in due course.

The Company can earn an additional 35% interest (the "Second Option") as follows:

- On completion of the First Option, completing a financing of at least $10,000,000 to be applied to exploration operations on the property; the Company will begin funding the next 5,000 metre drill program within 10 days; and
- Within 15,000 metres of drilling Magabra will produce a National Instrument 43-101 report of reserves ("43-101 report") upon exercise of the First Option by the Company. The Company will have the option to acquire the additional 35% interest within 30 days of receipt of the 43-101 report.

3. Exploration and evaluation assets (continued)

St. Anthony Gold Project (continued)

The Company can earn the remaining 35% interest (the "Third Option") as follows:

- On completion of the Second Option and within 30 days of completion of the exploration program, the Company shall have the option to acquire the remaining 35% interest of the Property by providing Magabra with $3,000,000 for further drilling and exploration operations on the Property.

On completion of the Third Option, the Company will have earned a 100% interest in the claims.

Further, the previous JV Agreement included the following considerations which have been satisfied:

- Issuing Magabra a total of 4,000,000 common shares (issued at a fair value of $260,000 ($0.065 per share)) (note 4(e));
- Payment of $300,000 to Magabra (paid); and
- Issuing to Magabra a total of 400,000 warrants with an exercise price of $0.08 and a maturity day that is two years from issuance (issued at a fair value of $12,264) (note 4).

Magabra will serve as project manager for all work programs to be conducted on the claims. As at April 30, 2021, the Company has advanced $359,704 towards future exploration work.

4. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

Transactions for the issue of share capital during the nine months ended April 30, 2021:

(a) On September 4, 2020, the Company completed the first tranche of a non-flow-through unit offering consisting of the sale of 12,128,824 non-flow-through units at a price of $0.085 per non-flow-through unit for gross proceeds of $1,030,950. Each non-flow-through unit consists of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until September 4, 2023. No residual value was allocated to the warrant component of the units issued.

In connection with the unit offering completed, the Company paid finders' fees of $6,626 and issued a total of 66,400 finders' warrants, with each warrant being exercisable into a non-flow-through common share of the Company at an exercise price of $0.12 until September 4, 2023. The fair value of the finders' warrants was determined to be $3,090 using the Black-Scholes option pricing model with the following inputs: i) exercise price: $0.12; ii) share price: $0.085; iii) term: 3 years; iv) volatility: 100%; v) discount rate: 0.40%.

(b) Concurrent with the financing, on September 4, 2020, the Company issued 444,706 non-flow-through units to settle debt totalling $37,800 ($0.085 per unit). No gain or loss was recognized in connection with the debt settlement. No residual value was allocated to the warrant component of the units issued.

(c) On November 4, 2020, the Company completed the second tranche of a non-flow-through unit offering consisting of the sale of 311,647 non-flow-through units at a price of $0.085 per non-flow-through unit for gross proceeds of $26,490. Each non-flow-through unit consists of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until November 4, 2023. The residual value of the warrants attached to the private placement units was determined to be $6,233.

The Company also completed the first tranche of a flow-through unit offering whereby it issued a total of 2,303,000 flow-through units at a price of $0.095 per flow-through unit for gross proceeds of $218,785. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until November 4, 2021. The residual value of the warrants attached to the private placement units was determined to be $46,060.

4. **Share capital** (continued)

Transactions for the issue of share capital during the nine months ended April 30, 2021 (continued)**:**

In connection with the unit offerings completed, the Company paid finders' fees of $10,438 and issued 20,580 finders' warrants exercisable at a price of $0.12 until November 4, 2023, 1,236 finders' warrant exercisable at $0.085 until November 4, 2022, and 161,210 finders' warrants exercisable at $0.095 until November 4, 2022. All finders' warrants are exercisable into non-flow-through common shares of the Company. The fair value of the finders' warrants was determined to be $5,828 using the Black-Scholes option pricing model with the following weighted average inputs: i) exercise price: $0.10; ii) share price: $0.07; iii) term: 2.13 years; iv) volatility: 100%; v) discount rate: 0.27%.

The flow-through units were issued at a premium to the trading value of the Company's common shares, which is a reflection of the value of the income tax write-offs that the Company will renounce to the flow-through shareholders. The premium was determined to be $23,030 and has been recorded as a reduction of share capital. An equivalent flow-through share premium liability has been recorded, which is being reversed pro-rata as the required exploration expenditures are incurred

Concurrent with the financing, the Company issued 195,000 common shares to settle debt totalling $19,500. In connection with the debt settlement. There was no gain or loss recognized in connection with the debt settlement.

(d) On November 13, 2020, the Company issued 1,666,666 common shares with a total fair value of $100,000 ($0.06 per share) in connection with the Panama Lake Gold Project option agreement (note 3).

(e) On November 4, 2020, the Company issued 4,000,000 common shares with a total fair value of $260,000 ($0.65 per share) to Magabra in connection with JV Agreement on the St. Anthony Gold Project (note 3). The Company also issued 400,000 warrants to Magabra, exercisable at $0.08 for a period of two years (note 3).

(f) On December 31, 2020, the Company completed the second tranche of a flow-through unit offering consisting of the sale of 868,421 flow-through units at a price of $0.095 per flow-through unit for gross proceeds of $82,500. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until December 31, 2021. No residual value was allocated to the warrant component of the units issued.

In connection with the unit offering completed, the Company paid finders' fees of $1,750 and issued 18,421 finders' warrants exercisable at a price of $0.10 until December 31, 2022. The finders' warrants are exercisable into non-flow-through common shares of the Company. The fair value of the finders' warrants was determined to be $707 using the Black-Scholes option pricing model with the following inputs: i) exercise price: $0.10; ii) share price: $0.08; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 0.20%.

The flow-through units were issued at a premium to the trading value of the Company's common shares, which is a reflection of the value of the income tax write-offs that the Company will renounce to the flow-through shareholders. The premium was determined to be $13,026 and has been recorded as a reduction of share capital. An equivalent flow-through share premium liability has been recorded, which is being reversed pro-rata as the required exploration expenditures are incurred

(g) On February 11, 2021, the Company completed the third tranche of a non-flow-through unit offering consisting of the sale of 3,658,823 non-flow-through units at a price of $0.085 per non-flow-through unit for gross proceeds of $311,000. Each non-flow-through unit consists of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until February 11, 2024. The residual value of the warrants attached to the private placement units was determined to be $36,588.

The Company also completed the third tranche of a flow-through unit offering whereby it issued a total of 4,368,421 flow-through units at a price of $0.095 per flow-through unit for gross proceeds of $415,000. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.12 until February 11, 2022. The residual value of the warrants attached to the private placement units was determined to be $43,684.

4. Share capital (continued)

In connection with the unit offerings completed, the Company paid finders' fees of $36,190 and issued 84,000 finders' warrants exercisable at a price of $0.12 until February 11, 2023 the fair value of the finders' warrants was determined to be $2,571 using the Black-Scholes option pricing model with the following inputs: i) exercise price: $0.12; ii) share price: $0.075; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 0.19%, and 305,789 finders' warrants exercisable at $0.095 until February 11, 2023 the fair value of the finders' warrants was determined to be $10,650 using the Black-Scholes option pricing model with the following inputs: i) exercise price: $0.095; ii) share price: $0.075; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 0.19%. All finders' warrants are exercisable into non-flow-through common shares of the Company.

The flow-through units were issued at a premium to the trading value of the Company's common shares, which is a reflection of the value of the income tax write-offs that the Company will renounce to the flow-through shareholders. The premium was determined to be $43,684 and has been recorded as a reduction of share capital. An equivalent flow-through share premium liability has been recorded, which is being reversed pro-rata as the required exploration expenditures are incurred

Transactions for the issue of share capital during the nine months ended April 30, 2020:

(h) On September 20, 2019 and October 21, 2019, the Company closed the first and second tranches, respectively, of a non-brokered private placement comprising a total of 6,030,000 non-flow-through units of the Company at a price of $0.05 per non-flow-through unit for gross proceeds of $301,500. Each non-flow-through unit consisted of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.10 until September 20, 2020 (3,030,000 warrants) and October 21, 2020 (3,000,000 warrants). No value was allocated to the warrant component of the units issued.

(i) On September 16, 2019, the Company issued 500,000 shares with a fair value of $0.09 per share to settle a debt of $45,000 for services performed by a consultant. There was no gain or loss recognized in connection with the debt settlement.

(j) On October 25, 2019, the Company issued 2,000,000 common shares at a fair value of $170,000 ($0.085 per share) pursuant to the option agreement on the Panama Lake Gold Project (note 3).

(k) On March 11, 2020, the Company closed its $438,819 financing to begin its drill program on its Panama Lake Gold Project at Red Lake, Ontario. The financing consisted of a $385,454 private placement of 4,057,406 flow-through units priced at $0.095 per flow-through unit ("FT-Unit") and a $129,504 private placement of 1,523,582 non-flow-through units priced at $0.085 per non flow-through unit ("NFT-Unit"). Each FT-Unit and NFT-Unit consists of one common share in the Company and one share purchase warrant. Each warrant of either the FT-Units or the NFT-Units is exercisable to purchase one common share at $0.12 for one year from the date of closing. All the securities issued are subject to a four-month hold period from the date of closing. In connection with the financing, the Company paid finders fees totaling $6,000 in cash and issued 246,856 finders NFT-Units and 265,597 finders warrants, with the warrants having the same terms described above. A flow-through premium liability of $40,574 was recognized in connection with the flow-through offering. As at April 30, 2020, the Company had not incurred any flowthrough exploration expenditures, so the flow-through premium liability remained at $40,574.

(l) On March 16, 2020, the Company issued 500,000 shares at a deemed value of $0.065 per share to settle a debt of $32,500 for services performed by a consultant. The fair value of the shares was $0.041 on the date of the share issuance and therefore the Company recognized a gain on debt settlement of $12,000.

(m) On March 31, 2020, the Company issued 240,000 units as a termination payment on the Lac Patu Vanadium Project at a deemed price of $0.085 per unit ("LP Unit"). Each unit consists of one common share in the Company and one share purchase warrant ("LP Warrant"). Each LP Warrant is exercisable to purchase one common share at $0.12 for one year from the date of closing. The fair value of the LP Units was $0.04 per share on the date of the unit issuance plus approximately $0.01 per LP Warrant and therefore the Company recognized a gain on debt settlement of $8,530.

4. Share capital (continued)

Stock options

The Company has adopted an incentive stock option plan (the "Plan"). The essential elements of the Plan provide that the aggregate number of shares of the Company's capital stock issuable pursuant to options granted under the Plan may not exceed 20% of the outstanding shares. Options granted under the Plan may have a maximum term of 5 years. The exercise price of options granted under the Plan will not be less than the closing price of the Company's shares on the CSE on the trading day immediately before the date of grant, less the discount permitted. The options vest at the discretion of the Board of Directors.

A summary of the status of the Company's stock options as at April 30, 2021 and July 31, 2020 and changes during the period/year then ended is as follows:

	Period ended April 30, 2021		Year ended July 31, 2020	
	Options #	Exercise price $	Options #	Exercise price $
Options outstanding, beginning of period/year	6,700,000	0.11	-	-
Granted	-	-	6,700,000	0.11
Options outstanding, end of period/year	**6,700,000**	**0.11**	6,700,000	0.11

As at April 30, 2021, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Exercise price $	Weighted average remaining life (years)	Expiry date
4,200,000	4,200,000	0.12	0.71	January 15, 2022
2,500,000	2,500,000	0.08	0.92	March 31, 2022
6,700,000	**6,700,000**	**0.11**	**0.79**	

There were no stock options granted during the nine months ended April 30, 2021.

During the nine months ended April 30, 2020, the Company granted 4,200,000 stock options with an exercise price of $0.12 and a term of two years expiring on January 15, 2022. These options granted had a fair value of $234,483 using the Black-Scholes option pricing model with the following assumptions: (i) exercise price of $0.12, (ii) term of 2 years, (iii) expected volatility of 100%, and (iv) discount rate of 1.66%.

During the nine months ended April 30, 2020, the Company granted 2,500,000 stock with an exercise price of $0.08 and a term of two years expiring on March 31, 2022. These options granted had a fair value of $59,439 using the Black Scholes option pricing model with the following inputs: i) exercise price: $0.08; ii) share price: $0.055; iii) term: 2 years; iv) volatility: 100%; v) discount rate: 0.46%.

The total share-based payment expense for the nine months ended April 30, 2021 was $nil (2020 – $293,922).

4. **Share capital** (continued)

Warrants

As an incentive to complete private placements, the Company may issue units which consist of common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to private placement units.

A summary of the status of the Company's warrants as at April 30, 2021 and July 31, 2020, and changes during the period/year then ended is as follows:

	Period ended April 30, 2021		Year ended July 31, 2020	
	Warrants #	Exercise price $	Warrants #	Exercise price $
Warrants outstanding, beginning of period/year	14,669,323	0.12	3,306,512	0.42
Issued	25,141,478	0.12	14,069,323	0.11
Expired	(9,333,441)	0.11	(2,706,512)	0.45
Warrants outstanding, end of period/year	**30,477,360**	**0.12**	14,669,323	0.12

As at April 30, 2021, the Company had warrants outstanding and exercisable as follows:

Warrants outstanding #	Exercise price $	Weighted average remaining life (years)	Expiry date
3,030,000	0.10	0.39	September 19, 2021
600,000	0.30	0.40	September 22, 2021
2,303,000	0.12	0.52	November 4, 2021
868,421	0.12	0.67	December 31, 2021
4,368,421	0.12	0.79	February 11, 2022
1,705,882	0.12	1.02	May 8, 2022
1,236	0.085	1.52	November 4, 2022
161,210	0.095	1.52	November 4, 2022
400,000	0.08	1.52	November 4, 2022
18,421	0.095	1.67	December 31, 2022
84,000	0.12	1.79	February 11, 2023
305,789	0.095	1.79	February 11, 2023
12,573,530	0.12	2.35	September 4, 2023
66,400	0.12	2.35	September 4, 2023
311,647	0.12	2.52	November 4, 2023
20,580	0.12	2.52	November 4, 2023
3,658,823	0.12	2.79	February 11, 2024
30,477,360		**1.64**	

Warrants

On September 4, 2020, the Company extended the expiration date of 600,000 warrants from September 22, 2020 to September 22, 2021 and 3,030,000 warrants from September 19, 2020 to September 19, 2021.

On April 21, 2021, the Company extended the expiration date of 1,705,882 warrants from May 8, 2021 to May 8, 2022.

Reserves and contributed surplus

Reserves record items recognized as share-based compensation expense and other share-based payments until such time that the stock options or warrants are exercised, at which time the corresponding amount will be transferred to share capital. Contributed surplus records items that had been recognized as share-based compensation expense and other share-based payments after those items have expired or have been forfeited or cancelled.

5. Loss per share

The calculation of basic and diluted loss per share for the nine months ended April 30, 2021 is based on the loss attributable to common shareholders of $374,762 (2020 - $936,248) and a weighted average number of common shares outstanding of 94,651,917 (2020 – 65,091,439).

All stock options and warrants were excluded from the diluted weighted average number of shares calculation, as their effect would have been anti-dilutive.

6. Related party payables and transactions

The Company's related parties include key management personnel and Directors, and companies in which they have control or significant influence over the financial or operating policies of those entities.

Key management compensation

(a) During the nine months ended April 30, 2021, the Company paid or accrued $157,500 in management fees to the Chief Executive Officer ("CEO") or a company in which the CEO is a partner of (2020 - $67,500). As at April 30, 2021, $nil is included in due to related parties for amounts to the CEO or a company in which the CEO is a partner (July 31, 2020 - $2,190).

(b) During the nine months ended April 30, 2021, the Company paid or accrued $nil in geological consulting fees to a company controlled by the Company's former Vice President of Exploration ("VPE"), who had resigned in June 2020. As at April 30, 2021, $6,215 (July 31, 2020 - $6,215) is included in due to related parties for amounts due to the former VPE.

(c) During the nine months ended April 30, 2021, the Company paid or accrued $30,735 in professional fees to a company in which the Chief Financial Officer ("CFO") has significant influence (2020 - $nil). As at April 30, 2021, $18,972 (July 31, 2020 - $nil) is included in due to related parties for amounts due to the company in which the CFO has significant influence.

(d) During the nine months ended April 30, 2021, no stock options were granted to Directors or Officers of the Company. During the nine months ended April 30, 2020, a total of 2,400,000 stock options were granted to Directors and Officers with a fair value of $133,990.

7. Supplemental cash flow information

Changes in non-cash operating working capital during the nine months ended April 30, 2021 and April 30, 2020 were comprised of the following:

	April 30, 2021	April 30, 2020
	$	$
Prepaid expenses	(90,872)	5,787
Receivables	(84,295)	-
Accounts payable and accrued liabilities	2,574	24,701
Due to related parties	16,782	(49,450)
	(155,811)	(18,962)

7. Supplemental cash flow information (continued)

The Company incurred non-cash financing and investing activities during the nine months ended April 30, 2021 and April 30, 2020 as follows:

	April 30, 2021 $	April 30, 2020 $
Non-cash financing activities:		
Common shares/units issued to settle debt	57,300	-
Share capital reduced by flow-through premium liability	(79,741)	-
Residual value of warrants	(132,565)	-
Reserves on finders' warrants issued	(22,846)	-
	(177,852)	-
Non-cash investing activities:		
Common shares issued for acquisition of exploration and evaluation	360,000	-
Warrants issued for acquisition of exploration and evaluation assets	12,264	-
Deferred exploration expenditures included in accounts payable and related party payables	(301,034)	-
	71,230	-

During the nine months ended April 30, 2021 and April 30, 2020, no amounts were paid for interest or income tax expenses.

8. Financial risk management

Capital management

The Company is a resource exploration company and considers items included in shareholders' equity as capital. The Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at April 30, 2021 is comprised of shareholders' equity of $2,238,005 (July 31, 2020 – $239,972).

The Company currently has no source of revenues. In order to fund future projects and pay for general and administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral properties and its ability to borrow or raise additional financing from equity markets (see note 1). There were no changes to the Company's management of capital during the nine months ended April 30, 2021.

Financial instruments - fair value

The Company's financial instruments consist of cash, accounts payable and accrued liabilities, and due to related parties. The carrying value of accounts payable and accrued liabilities, and due to related parties approximated their fair value because of the short-term nature of these instruments.

Financial instruments measured at fair value on the consolidated statement of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

8. Financial risk management (continued)

	Level 1	Level 2	Level 3	Total
	$	$	$	$
April 30, 2021				
Cash	180,890	-	-	180,890
	180,890	**-**	**-**	**180,890**
July 31, 2020				
Cash	59,716	-	-	59,716
	59,716	-	-	59,716

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk and market and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash. All of the Company's cash is held in financial institutions in Canada, and management believes the exposure to credit risk with respect to such institutions is not significant.

(b) Interest rate risk

The Company is not exposed to interest risk as it does not hold financial securities or debt that would be impacted by fluctuating interest rates.

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due. The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources. See note 1 for further details.

(d) Market and currency risk

- Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. A change of 100 basis points in interest rates would not be material to the financial statements.

- Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in the foreign exchange rates. Assuming all other variables are held constant with an increase or a decrease of 10% of the US dollar against the Canadian dollar, the net loss of the Company and the equity for the nine months ended April 30, 2021 would not have changed as it had no US dollar denominated assets or liabilities.

- The Company had no hedging agreements in place with respect to foreign exchange rates.

9. Contingency

The Company has received a statement of claim in respect of a mining property that the Company has abandoned. The Company is currently not in a position to determine what portion of the amount, if any, it will be liable for, but it is expected to be less than $80,000 and the issuance of 1,000,000 common shares. As at April 30, 2021, the Company has accrued $15,000 for claim maintenance fees that it has agreed to reimburse to the claimant. No other amounts have been accrued for as at April 30, 2021.

10. Commitments

Flow-through premium:

On March 11, 2020, the Company completed a private placement of flow-through units for gross proceeds of $385,454. The Company was required to spend the funds on qualified exploration programs no later than December 31, 2021. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2020. As at April 30, 2021, all of the funds had been spent and accordingly, the Company recognized other income on settlement of the flow-through premium liability in the amount of $3,610 (2020 - $nil).

On November 4, 2020, the Company completed a private placement of flow-through units for gross proceeds of $218,785. The Company was required to spend the funds on qualified exploration programs no later than December 31, 2021. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2020. As at April 30, 2021, all of the funds had been spent and accordingly, the Company recognized other income on settlement of the flow-through premium liability in the amount of $23,030.

On December 31, 2020, the Company completed a private placement of flow-through units for gross proceeds of $82,500. The Company was required to spend the funds on qualified exploration programs no later than December 31, 2021. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2020. As at April 30, 2021, approximately all of the funds had been spent and accordingly, the Company recognized other income on settlement of the flow-through premium liability in the amount of $13,026.

On February 11, 2021, the Company completed a private placement of flow-through units for gross proceeds of $415,000. The Company is required to spend the funds on qualified exploration programs no later than December 31, 2021. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2021. As at April 30, 2021, approximately $307,747 of the funds had been spent and accordingly, the Company recognized other income on settlement of the flow-through premium liability in the amount of $32,394.

Under the Income Tax Act flow-through look-back rules, the Company has until December 31, 2022 to spend any remaining amount of flow-through funds. Amounts spent after February 1, 2022, would have been subject to a floating rate interest tax, which is currently set at 2% per annum.

11. Events after the reporting period

(a) On June 4, 2021, the Company completed a non-flow-through unit offering consisting of the sale of 7,204,546 non-flow-through units at a price of $0.055 per non-flow-through unit for gross proceeds of $396,250. Each non-flow-through unit consists of one non-flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.10 until June 4, 2024.

The Company also completed flow-through unit offering whereby it issued a total of 9,149,999 flow-through units at a price of $0.06 per flow-through unit for gross proceeds of $549,000. Each flow-through unit consists of one flow-through common share and one share purchase warrant, with each warrant being exercisable into a non-flow-through common share at an exercise price of $0.10 until June 4, 2024.

In connection with the unit offerings completed, the Company paid finders' fees of $26,303 and issued 1,503,727 finders' warrants exercisable at a price of $0.10 until June 4, 2024, and 654,818 non-flow-though common shares. All finders' warrants are exercisable into non-flow-through common shares of the Company.

(b) On June 15, 2021, the Company granted 5,000,000 stock options with an exercise price of $0.10 and a term of two years expiring on June 15, 2023.