CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Three Month Period Ended

March 31, 2021

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM 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 consolidated financial statements; they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

Supernova Metals Corp.

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

	March 31, 2021 ($)	December 31, 2020 ($)
ASSETS		
Current assets		
Cash	190,027	527,607
Prepaid expenses	3,642	7,034
Receivables (Note 4)	27,319	114,894
Short-term investments (Note 5)	33,750	-
	254,738	649,535
Exploration and evaluation assets (Note 7)	759,783	250,149
Oil properties (Note 8)	34,617	35,820
Reclamation bond (Note 6)	10,960	39,461
	1,060,098	974,965
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities (Notes 9 and 12)	240,468	159,272
Notes payable (Note 10)	160,592	60,000
Asset retirement obligation (Note 11)	72,955	72,600
	474,015	291,872
Shareholders' equity		
Share capital (Note 13)	6,186,276	6,186,276
Reserves (Note 13)	462,019	462,019
Deficit	(6,062,212)	(5,965,202)
	586,083	683,093
	1,060,098	974,965

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 17)

On behalf of the Board:

"Ken Brophy"
Ken Brophy - Director

"Sean McGrath"
Sean McGrath - Director

Supernova Metals Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Three Month Period Ended March 31, 2021	Three Month Period Ended March 31, 2020
	($)	**($)**
Revenue		
Oil sales	29,397	29,598
Royalties and freehold mineral tax (Note 12)	(3,905)	(5,764)
	25,492	23,834
Expenses		
Accretion (Note 11)	355	349
Consulting fees (Note 12)	47,250	18,000
Depletion (Note 8)	1,203	1,662
Director fees (Note 12)	-	9,000
Field operating expenses	9,144	11,135
General and administrative	13,216	3,408
Management fees (Note 12)	15,000	-
Professional fees (Note 12)	27,071	32,176
Transfer agent and filing fees	10,125	8,409
	(123,364)	(84,139)
Finance expense	(592)	(1,619)
Impairment of exploration and evaluation assets (Note 7)	(46,795)	-
Impairment of oil properties (Note 8)	-	(26,312)
Interest and other income	61,999	1,951
Unrealized loss on short-term investments (Note 5)	(13,750)	-
	862	(25,980)
Loss and comprehensive loss for the period	(97,010)	(86,285)
Basic and diluted loss per share:	(0.00)	(0.00)
Weighted average common shares outstanding:		
Basic	42,467,712	20,734,113
Diluted	42,467,712	20,734,113

Supernova Metals Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

(Unaudited)

	Share capital		Reserves			
	Number of Shares	Amount	Options	Warrants	Deficit	Total
		($)	($)	($)	($)	($)
Balance at December 31, 2019	17,997,849	4,025,206	424,176	26,530	(4,389,037)	86,875
Share issuance - property acquisitions	3,000,000	180,000	-	-	-	180,000
Comprehensive loss	-	-	-	-	(86,285)	(86,285)
Balance at March 31, 2020	20,997,849	4,205,206	424,176	26,530	(4,475,322)	180,590
Share issuance - property acquisitions	2,000,000	580,000	-	-	-	580,000
Share issuance - private placement	12,000,000	1,100,000	-	-	-	1,100,000
Share issuance - option exercises	2,000,000	195,388	(89,388)	-	-	106,000
Share issuance - warrant exercises	1,000,000	70,000	-	-	-	70,000
Share issuance costs	-	(76,065)	-	40,100	-	(35,965)
Share issuance - debt settlement	4,469,863	111,747	-	-	-	111,747
Stock options vested	-	-	60,601	-	-	60,601
Comprehensive loss	-	-	-	-	(1,489,880)	(1,489,880)
Balance at December 31, 2020	42,467,712	6,186,276	395,389	66,630	(5,965,202)	683,093
Comprehensive loss	-	-	-	-	(97,010)	(97,010)
Balance at March 31, 2021	42,467,712	6,186,276	395,389	66,630	(6,062,212)	586,083

See accompanying notes to the condensed interim consolidated financial statements

Supernova Metals Corp.

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

	Three Month Period Ended March 31, 2021	Three Month Period Ended March 31, 2020
	($)	**($)**
CASH PROVIDED BY (USED IN)		
OPERATING ACTIVITIES		
Loss for the period	(97,010)	(86,285)
Items not affecting cash:		
Accretion	355	349
Depletion	1,203	1,662
Impairment of exploration and evaluation assets	46,795	-
Impairment of oil properties	-	26,312
Other income	(61,999)	-
Unrealized loss on short-term investments	13,750	-
Accrued interest	592	1,619
Changes in non-cash working capital items:		
Receivables	87,575	(13,595)
Prepaids	3,392	(6,298)
Accounts payable and accrued liabilities	2,441	11,315
	(2,906)	(64,921)
INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(463,175)	-
Reclamation bond	28,501	-
Acquisition of oil property	-	(5,000)
	(434,674)	(5,000)
FINANCING ACTIVITIES		
Proceeds from notes payable	100,000	40,000
	100,000	40,000
Change in cash during the period	(337,580)	(29,921)
Cash - beginning of period	527,607	129,492
Cash - end of period	190,027	99,571

Supplemental Cash Flow Information (Note 16)

See accompanying notes to the condensed interim consolidated financial statements

1. NATURE OF OPERATIONS AND GOING CONCERN

Supernova Metals Corp. ("Supernova" or the "Company") was incorporated on November 20, 2000 under the laws of the province of Alberta, Canada and was continued into the province of British Columbia in 2010. The Company changed its name from Volt Energy Corp. to Supernova Metals Corp. on September 2, 2020. The Company's offices are located at 1090 Hamilton Street, Vancouver, BC, Canada, V6B 2R9. The Company is engaged in the exploration of mineral properties and oil production in North America. The Company's shares are traded on the Canadian Securities Exchange ("CSE") under the symbol "SUPR".

The Company's principal business activities are the exploration and evaluation of resource properties and oil production in North America. The Company is in the process of exploring its resource properties, but it has not yet determined whether these properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production or from proceeds of disposition. To date, the Company has not received any revenue from mining operations and is considered to be in the exploration stage. The Company's oil properties are revenue producing.

The Company's continuation as a going concern is dependent upon its ability to raise equity capital or borrowings sufficient to meet current and future obligations. If for any reason, the Company is unable to continue as a going concern, then this could result in adjustments to the amounts and classifications of assets and liabilities in the Company's financial statements and such adjustments could be material.

These condensed interim consolidated financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. The Company's revenues from its oil operations are insufficient to support ongoing operations and the Company has incurred ongoing losses and will require additional funding to continue operations for the upcoming year. The above conditions may cast significant doubt on the Company's ability to continue as a going concern.

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, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. 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 business or ability to raise funds.

2. BASIS OF PREPARATION

Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations committee. They do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements, and therefore should be read in conjunction with the Company's audited financial statements for the year ended December 31, 2020, prepared in accordance with IFRS as issued by the IASB

These condensed interim consolidated financial statements were approved by the Board of Directors of the Company on May 21, 2021.

2. BASIS OF PREPARATION (continued)

Basis of Presentation

The condensed interim consolidated financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for cash flow information.

Basis of Consolidation

These consolidated financial statements include the accounts of Supernova and its wholly-owned subsidiary Supernova Metals (US) Corp. which was incorporated in Arizona, USA.

All inter-company transactions and balances have been eliminated upon consolidation.

Control exists where the parent entity has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are included in the consolidated financial statements from the date control commences until the date control ceases.

Functional and Presentation Currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currencies are as follows:

Entity	Functional Currency
Supernova Metals Corp.	Canadian dollar
Supernova Metals (US) Corp.	United States dollar

At the end of each reporting period, assets and liabilities of the entities whose functional currency is not the Canadian dollar are translated at the rate of exchange at the statement of financial position date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in other comprehensive income or loss for the year.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the year.

2. BASIS OF PREPARATION (continued)

Use of Estimates and Judgements

The preparation of these condensed interim consolidated financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These condensed interim consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These 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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Income taxes
The calculation of income taxes requires judgment in applying tax laws and regulations, estimating the timing of the reversals of temporary differences, and estimating the reliability of deferred tax assets. These estimates impact current and deferred income tax assets and liabilities, and current and deferred income tax expense (recovery).

Significant judgements that management has made at the end of the reporting period are as follows:

Carrying value and the recoverability of exploration and evaluation assets
Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

3. SIGNIFICANT ACCOUNTING POLICIES

These condensed interim financial statements have been prepared using the same accounting policies as those used in the Company’s annual financial statements at December 31, 2020.

(Unaudited - Expressed in Canadian dollars)

4. RECEIVABLES

	March 31, 2021	December 31, 2020
	($)	($)
Drilling deposit	-	94,999
GST receivable	15,890	13,050
Trade receivables	11,429	6,845
	27,319	114,894

5. SHORT-TERM INVESTMENTS

Carrying Value December 31, 2020	Additions	Dispositions	Unrealized Gain (Loss)	Fair Value March 31, 2021
($)	($)	($)	($)	($)
-	47,500	-	(13,750)	33,750

6. RECLAMATION BOND

The drilling permit for the Clanton Hills property (Note 7) required a refundable reclamation bond totaling $Nil (December 31, 2020 - $39,461), which was held by the US Bureau of Land Management. The bond was refunded during the three month period ended March 31, 2021.

The drilling permit for the Cold Springs property (Note 7) required a refundable reclamation bond totaling $10,960 (US$8,691) (December 31, 2020 - $Nil), which is held by the US Bureau of Land Management.

7. EXPLORATION AND EVALUATION ASSETS

A summary of exploration and evaluation assets by property for the three month period ended March 31, 2021 is set out below:

Property	Balance at December 31, 2020	Additions	Option Payment(s) Received	Impairment	Balance at March 31, 2021
	($)	($)	($)	($)	($)
Cold Springs	59,648	520,135	-	-	579,783
Clanton Hills	-	46,795	-	(46,795)	-
Lac Saint Simon	10,501	-	(10,501)	-	-
Lac Roy and Faraud	180,000	-	-	-	180,000
	250,149	**566,930**	**(10,501)**	**(46,795)**	**759,783**

(Unaudited - Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

A summary of exploration and evaluation assets by property for the year ended December 31, 2020 is set out below:

Property	**Balance at December 31, 2019**	**Additions**	**Option Payment(s) Received**	**Impairment**	**Balance at December 31, 2020**
	($)	**($)**	**($)**	**($)**	**($)**
Cold Springs	-	59,648	-	-	59,648
Lac Saint Simon	10,501	-	-	-	10,501
Clanton Hills	-	984,892	-	(984,892)	-
Lac Roy and Faraud	-	180,000	-	-	180,000
	10,501	**1,224,540**	**-**	**(984,892)**	**250,149**

A summary of the exploration and evaluation assets by cost category is set out below:

	($)
Balance at December 31, 2019	**10,501**
Acquisition and land costs	790,000
Assays	22,180
Camp costs	26,674
Consulting	147,702
Drilling	202,149
Trenching and geophysics	25,206
Management and administration	10,629
Impairment	(984,892)
Balance at December 31, 2020	**250,149**
Acquisition and land costs	20,000
Assays	11,862
Camp costs	42,141
Consulting	119,536
Drilling	355,920
Maps and reports	17,471
Option payment received	(10,501)
Impairment	(46,795)
Balance at March 31, 2021	**759,783**

(Unaudited - Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

Cold Springs, Nevada

On September 1, 2020, the Company entered into an option agreement with Silver Range Resources Ltd. ("Silver Range") wherein it can acquire up to a 75% interest in the Cold Springs gold property located in Nevada, USA in exchange for completing at least 2,000 metres of drilling on the property by August 31, 2023 and by making the following cash payments:

Date	Amount ($)
On execution of the Option Agreement (paid)	10,000
By November 30, 2020 (paid)	20,000
By February 28, 2021 (paid)	20,000
By August 31, 2021	50,000
By August 31, 2022	100,000
By August 31, 2023	100,000
	300,000

Silver Range retains a 2.5% NSR on the Property, subject to a buyback option wherein the Company can acquire 60% of the NSR in exchange for a cash payment of $1,250,000.

Refer to Subsequent Events (Note 17).

Lac Saint Simon, Quebec

On June 1, 2017, the Company acquired a 100% interest in the Lac Saint Simon lithium property located in west-central Quebec in exchange for 625,000 common shares of the Company which were valued at $325,000.

On February 3, 2021, entered into an option agreement with 79 Resources Ltd. (the "Optionee"), a publicly traded company on the Canadian Securities Exchange, wherein the Optionee can acquire up to a 100% ownership interest in the Lac Saint Simon lithium project in stages over 36 months.

Date	Common shares	Cash ($)	Exploration Expenditures ($)
Within 5 Days of the removal of the due diligence provision (received)	250,000	25,000	Nil
On or before the first anniversary of the Exchange Approval Date	250,000	30,000	100,000
On or before the second anniversary of the Exchange Approval Date	500,000	50,000	200,000
On or before the third anniversary of the Exchange Approval Date	500,000	50,000	400,000
Total	1,500,000	155,000	700,000

The Company will retain a 2% NSR on the Property, subject to a buyback option wherein the Optionee can acquire one half of the NSR in exchange for a cash payment of $1,000,000.

(Unaudited - Expressed in Canadian dollars)

7. EXPLORATION AND EVALUATION ASSETS (continued)

Clanton Hills, Arizona

On August 31, 2020, the Company entered into an option agreement with Allegiant Gold Ltd. ("Allegiant"), a corporation related by virtue of a common officer (Note 12), granting the Company an option to acquire a 50.1% interest in the Clanton Hills silver property, subject to a 2% net smelter return royalty. The Company issued 2,000,000 common shares valued at $580,000 and was required to pay US$550,000 over three years and incur US$1,500,000 in exploration expenditures.

During the three month period ended March 31, 2021, due to poor drilling results, the Company decided not to continue with the property, and accordingly as at December 31, 2020 the Company recorded a full impairment.

Lac Roy and Faraud, Quebec

On January 2, 2020, the Company acquired a 100% interest in the Lac Roy and Faraud vanadium properties located in Quebec in exchange for 3,000,000 common shares of the Company which were valued at $180,000.

8. OIL PROPERTIES

On January 1, 2020, the Company acquired non-operating working interests in five wells in southeastern Saskatchewan from a corporation that shares directors and officers in common with the Company. The consideration for the acquisition was a cash payment of $5,000 and a contingent performance bonus of up to $40,000 payable after one year of production. In addition, the Company assumed the reclamation liability for its proportional interest in these wells which has been determined to be $71,551 (Note 9).

Well #		Working Interest (%)	Net Revenue Interest (%)
1	King 141/08-13-004-07 W2M	45.90	39.02
2	King 91/06 HZ 1D08-13-1D06-18-04-06 W2M	13.00	13.00
3	King 92/07 HZ 2C5-18-1D7-13-04-07 W2M	45.90	39.02
4	King 4D8-14/2A11-13-004-07 W2	10.50	8.93
5	Steelman 191/07-18-004-06W2	13.00	13.00

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. The Company reviews each CGU for indicators of possible impairment at the end of each reporting period. During the year ended December 31, 2020, the Company reviewed the carrying value of its oil properties and determined there were impairment indicators present for Well #3. The well has not produced any oil since acquisition, and it is unclear if there is any future benefit left in the well. Accordingly, the Company recorded an impairment charge of $26,312.

There has been no impairment charge recognized during the three month period ended March 31, 2021.

Refer to Subsequent Events (Note 17).

(Unaudited - Expressed in Canadian dollars)

8. OIL PROPERTIES (continued)

2020	Well #1	Well #2	Well #3	Well #4	Well #5	Total
	($)	($)	($)	($)	($)	($)
Cost:						
At December 31, 2019	-	-	-	-	-	-
Additions	26,772	7,107	26,312	7,142	8,869	76,202
At December 31, 2020 and March 31, 2021	26,772	7,107	26,312	7,142	8,869	76,202
Depletion:						
At December 31, 2019	-	-	-	-	-	-
Charge for the period	4,003	-	-	895	2,065	8,488
At December 31, 2020	4,003	1,525	-	895	2,065	8,488
Charge for the period	737	-	-	142	324	1,203
At March 31, 2021	4,740	1,525	-	1,037	2,389	9,691
Impairment:						
At December 31, 2019	-	-	-	-	-	-
Charge for the period	-	5,582	26,312	-	-	31,894
At December 31, 2020 and March 31, 2021	-	5,582	26,312	-	-	31,894
Net book value:						
At December 31, 2020	22,769	-	-	6,247	6,804	35,820
At March 31, 2021	22,032	-	-	6,105	6,480	34,617

9. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

	March 31, 2021	December 31, 2020
	($)	($)
Trade payables	136,756	85,268
Related party payables (Note 12)	103,712	40,004
Accrued liabilities	-	30,000
	240,468	159,272

10. NOTE PAYABLE

On January 10, 2020, the Company borrowed $40,000 pursuant to a promissory note that was unsecured, bore interest at a rate of 18% compounded monthly and was repayable on or before December 31, 2020. During the year ended December 31, 2020, the Company repaid the loan plus accrued interest of $1,978 through the issuance of 1,678,713 common shares valued at $41,967 and a cash payment of $11.

On April 13, 2020, the Company borrowed $15,000 from a director of the Company pursuant to a promissory note that was unsecured, bore interest at a rate of 18% compounded monthly and was repayable on or before December 31, 2020. During the year ended December 31, 2020, the Company repaid the loan plus accrued interest of $111 through the issuance of 600,000 common shares valued at $15,000 and a cash payment of $111.

(Unaudited - Expressed in Canadian dollars)

10. NOTE PAYABLE (continued)

On May 11, 2020, the Company borrowed $40,000 under a COVID-19 Relief Line of Credit as part of the Government-sponsored Canada Emergency Business Account ("CEBA"). The credit line is interest free until December 31, 2020, and any unpaid balance on January 1, 2021 will be converted to a two year 0% interest term loan that must be repaid by December 31, 2022. A total of $10,000 of the loan will be forgiven if $30,000 is repaid in full on or before December 31, 2022. The Company can exercise an option for a three year term extension but any remaining principal balance outstanding will be subject to 5% interest.

On December 15, 2020, the Company received an additional $20,000 loan under the CEBA program. The terms of repayment are the same as the first advance, including the provision that $10,000 of the additional advance will be forgiven if the remaining $10,000 is repaid in full on or before December 31, 2022.

On March 22, 2021, the Company borrowed $100,000 pursuant to a promissory note that is unsecured, bears interest at a rate of 24% compounded monthly and is repayable on or before December 31, 2022. During the three month period ended March 31, 2021, the Company accrued interest of $592.

11. ASSET RETIREMENT OBLIGATION

	March 31, 2021	**December 31, 2020**
	($)	**($)**
Balance, beginning	72,600	-
Addition	-	71,202
Accretion expense	355	1,398
Balance, end	72,955	72,600

The Company's provision for restoration and environmental obligations consists of costs accrued based on the current best estimate of reclamation activities that will be required at the completion of petroleum extraction activities. The Company's provision for future site closure and reclamation costs is based on the level of known disturbance at the reporting date, known legal requirements and estimates prepared by a third party specialist. It is not currently possible to estimate the impact on operating results, if any, of future legislative or regulatory developments.

The Company has calculated the fair value of the asset retirement obligation using a risk-free discount rate of 2.2% and an inflation rate of 2.0%. The estimated total future undiscounted cash flows to settle the asset retirement obligations are $85,700 and are expected to be incurred over a period of approximately 19 years.

(Unaudited - Expressed in Canadian dollars)

12. RELATED PARTY TRANSACTIONS

Key management includes the Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), directors and companies controlled by them. The Company incurred the following transactions with key management of the Company during the three month periods ended March 31, 2021 and 2020:

	March 31, 2021 ($)	March 31, 2020 ($)
Director fees	-	9,000
Professional and consulting fees	41,650	45,000
Management fees	15,000	-
Mineral royalties	266	351
	56,916	54,351

As at March 31, 2021, a total of $103,712 (December 31, 2020 - $44,004) was included in accounts payable and accrued liabilities owing to current and former key management of the Company.

13. SHARE CAPITAL

Authorized share capital

The Company's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preference shares without par value.

Issued share capital

There are no preferred shares issued or outstanding.

Three month period ended March 31, 2021

There was no activity.

Year ended December 31, 2020

On January 9, 2020, the Company issued 3,000,000 common shares valued at $180,000 in connection with the acquisition of the Lac Roy and Faraud vanadium properties. (Note 6)

On April 28, 2020, the Company issued 4,469,863 common shares to settle accounts payable and notes payables totaling $111,747. (Note 9)

On June 4, 2020, the Company completed a non-brokered private placement wherein it issued 2,000,000 units at $0.05 per unit for aggregate proceeds of $100,000. Each unit is comprised of a common share and a share purchase warrant that entitles the holder to acquire an additional common share at $0.07 for a period of two years. The warrant was determined to have a value of $Nil.

13. SHARE CAPITAL (continued)

On September 4, 2020, the Company completed a non-brokered private placement wherein it issued 10,000,000 common shares at $0.10 per share for aggregate proceeds of $1,000,000. The Company incurred share issuance costs of $35,965 and issued 312,900 finders' warrants that are exercisable at $0.20 until September 4, 2021. The finders' warrants were determined to have a value of $40,100.

On September 16, 2020, the Company issued 2,000,000 common shares valued at $580,000 in connection with the Clanton Hills option agreement. (Note 6)

During the year ended December 31, 2020, the Company issued 3,000,000 common shares for gross proceeds of $176,000 pursuant to the exercise of share purchase warrants and stock options. As a result of the option exercises, a total of $89,388 was transferred from share option reserve into share capital.

Restricted Stock Units

On September 9, 2020, the Company adopted a restricted share unit ("RSU") plan to issue RSUs whereby the total aggregate RSUs and share options outstanding may be up to 10% of its issued capital at the time of an applicable option grant. The Board of Directors may from time to time, grant RSUs to directors, officers, employees or consultants. The vesting terms of an RSU are at the discretion of the Board of Directors.

There were no RSUs issued or outstanding as at March 31, 2021 or December 31, 2020.

Stock options

The Company has a rolling incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the Exchange requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Such options will be exercisable for a variable period from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not 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 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.

<u>Three month period ended March 31, 2021</u>

There was no activity.

Refer to Subsequent Events (Note 17).

(Unaudited - Expressed in Canadian dollars)

13. SHARE CAPITAL (continued)

Year ended December 31, 2020

On December 3, 2020, the Company granted 250,000 stock options exercisable at $0.17 for a period of two years. The options vest in equal installments over a period of nine months. During the year ended December 31, 2020, the Company expensed $11,401 as a share-based payment. The stock options have subsequently been forfeited so no additional share-based payment expense has been recorded (Note 17).

On June 2, 2020, Company granted 1,150,000 stock options exercisable at $0.05 for a period of five years. The options were fully vested on the grant date, and the Company expensed $49,200 as a share-based payment.

The options granted during the year were valued using the Black-Scholes option pricing model under the following weighted average assumptions:

	2020
Risk-free interest rate	0.37%
Expected life of options	4.46 yrs
Volatility	139%
Expected Dividend yield	Nil
Forfeiture rate	Nil
Weighted average fair value	$0.06

A continuity schedule of the Company's stock options is as follows:

	Number of Options	Weighted Average Exercise Price
		($)
Balance, December 31, 2019	1,375,000	0.06
Granted	1,400,000	0.07
Exercised	(2,000,000)	0.05
Balance, March 31, 2021 and December 31, 2020	775,000	0.10

The following table summarizes the stock options outstanding and exercisable as at March 31, 2021:

Number of Options Outstanding	Number of Options Exercisable	Weighted Average Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life
		($)		(yrs)
300,000	300,000	0.07	May 2, 2024	3.09
125,000	125,000	0.05	October 10, 2024	3.53
100,000	100,000	0.05	June 2, 2025	4.17
250,000	62,500	0.17	December 3, 2022	1.67
775,000	587,500	0.10		2.85

(Unaudited - Expressed in Canadian dollars)

12. SHARE CAPITAL (continued)

Warrants

A continuity schedule of the Company's warrants is as follows:

	Number of Warrants	Weighted Average Exercise Price
		($)
Balance, December 31, 2019	-	-
Issued	2,312,900	0.09
Exercised	(1,000,000)	0.07
Balance, December 31, 2020 and March 31, 2021	1,312,900	0.10

The following table summarizes the warrants outstanding and exercisable as at March 31, 2021:

Number of Warrants Outstanding	Number of Warrants Exercisable	Weighted Average Exercise Price	Expiry Date	Weighted Average Remaining Contractual Life
		($)		(yrs)
1,000,000	1,000,000	0.07	June 4, 2022	1.42
312,900	312,900	0.20	September 4, 2021	0.68
1,312,900	1,312,900	0.10		1.25

The finder's warrants issued during the year were valued using the Black-Scholes option pricing model under the following weighted average assumptions:

	2020
Risk-free interest rate	0.25%
Expected life of options	1.00 yrs
Volatility	120%
Expected Dividend yield	Nil
Forfeiture rate	Nil
Weighted average fair value	$0.13

14. FINANCIAL RISK MANAGEMENT

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

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. The Company's primary exposure to credit risk is on its cash held in bank accounts as well as receivables. The majority of cash is deposited in bank accounts held with major banks in Canada. As the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company prepares a general operating budget to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company uses its best efforts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

The Company's financial liabilities consist of accounts payable and accrued liabilities, all of which are due within twelve months.

The Company is exposed to liquidity risk.

Commodity risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for petroleum and base and precious metals are impacted by world economic events that dictate the levels of supply and demand. The Company had no hedging contracts in place as at or during the period ended March 31, 2021.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Foreign exchange risk

The Company's functional and presentation currency is the Canadian dollar. The Company is exposed to the currency risk related to the fluctuation of foreign exchange rates in its US subsidiary. The Company also has certain assets and liabilities denoted in US dollars. A 10% change in the currency exchange rates between the Canadian dollar relative to the US dollar would have an effect on the Company's results of operations, financial position and/or cash flows of approximately $1,400. The Company has not hedged its exposure to currency fluctuations.

14. FINANCIAL RISK MANAGEMENT (continued)

Classification of financial instruments

The Company classifies its other financial assets and other financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following 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); and

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

Financial assets included in the statement of financial position are cash and receivables. Financial liabilities included in the statement of financial position include accounts payable and accrued liabilities and note payable. The fair value of cash, receivables, and accounts payable approximate the carrying amount due to their short term to maturity. The fair value of note payable reflects the market rate of interest. The effect of changes in the Company's credit risk do not have a significant impact on the fair value due to the short term to maturity.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of the components of shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets.

The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the period ended March 31, 2021.

(Unaudited - Expressed in Canadian dollars)

15. SEGMENTED INFORMATION

The Company has one reportable business segment, being mineral exploration and development. Assets by geographical area are as follows:

	March 31, 2021	December 31, 2020
	($)	($)
Current assets		
Canada	254,738	554,536
USA	-	94,999
	254,738	649,535
Non-current assets		
Canada	214,617	226,321
USA	590,743	99,109
	805,360	325,430
Total assets		
Canada	469,355	780,857
USA	590,743	194,108
	1,060,098	974,965

16. SUPPLEMENTAL CASH FLOW INFORMATION

	March 31, 2021	March 31, 2020
	($)	($)
Non-cash investing and financing activities:		
Acquisition of exploration and evaluation assets through the issuance of 3,000,000 common shares	-	180,000
Receipt of short-term investment as an option payment against the Lac Saint Simon property	47,500	-
Exploration and evaluation expenditures included in accounts payable	78,755	-
Interest paid during the period	-	-
Income taxes paid during the period	-	-

17. SUBSEQUENT EVENTS

Subsequent to March 31, 2021, the Company:

a) entered into an amending agreement with Silver Range wherein it has acquired a 100% ownership interest in Cold Springs in exchange for the issuance of 1,000,000 common shares and the retention of the 2.5% NSR. The shares issued to Silver Range are subject to a trading restriction until January 1, 2022.

b) transferred its exchange listing from the TSX Venture Exchange to the Canadian Securities Exchange.

c) disposed of all of its oil interests and associated reclamation liabilities in exchange for a cash payment of $5,000.

d) issued 225,000 common shares pursuant to the exercise of stock options for aggregate proceeds of $11,250.

e) entered into forfeiture agreements with two option holders to cancel 550,000 stock options.