Ready Set Gold Corp.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED APRIL 30, 2022 AND 2021

(Expressed in Canadian Dollars)

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF READY SET GOLD CORP.

Opinion

We have audited the consolidated financial statements of Ready Set Gold Corp. and its subsidiaries (the "Company"), which comprise:

- the consolidated statements of financial position as at April 30, 2022 and 2021;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of cash flows for the years then ended, and
- the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements which indicates that the Company incurred a net loss of $11,167,160 during the year ended April 30, 2022 and, as of that date, had an accumulated deficit of $29,600,863. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises of Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditors' report. If, based on the work we have performed, we conclude that there is a material misstatement of this, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditors' report is Hervé Leong-Chung.

Chartered Professional Accountants

Vancouver, British Columbia
August 26, 2022

Ready Set Gold Corp.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT APRIL 30,

		2022		2021
ASSETS				
Current assets				
Cash	$	1,649,751	$	190,898
Marketable securities (Note 5)		402,500		-
GST receivable		166,611		161,228
Prepaid expenses and deposits		21,515		328,798
Total current assets		2,240,377		680,924
Non-current assets				
Convertible debenture receivable (Note 7)		-		1,777,143
Long-term deposits (Note 6)		48,186		48,186
Exploration and evaluation assets (Note 6)		525,000		9,315,095
Total assets	$	2,813,563	$	11,821,348
LIABILITIES AND EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (Note 10)	$	270,550	$	450,079
Non-current liabilities				
Convertible debentures (Note 8)		1,752,345		-
Total liabilities		2,022,895		450,079
Equity				
Share capital (Note 9)		25,833,415		25,801,415
Reserves (Note 9)		4,558,116		4,003,557
Deficit		(29,600,863)		(18,433,703)
Total equity		790,668		11,371,269
Total liabilities and equity	$	2,813,563	$	11,821,348

Nature of operations and going concern (Note 1)

Approved and authorized on behalf of the Board:

"Darren Collins", Director *"Alex McAulay"*, Director

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

Ready Set Gold Corp.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED APRIL 30,

		2022		2021
EXPENSES				
Consulting fees (Note 10)	$	423,892	$	518,359
Management fees (Note 10)		403,736		93,865
Marketing		332,783		309,597
Office and miscellaneous		28,326		48,608
Insurance expenses		29,894		10,595
Professional fees (Note 4)		238,376		474,687
Share-based payments (Note 9)		188,400		768,842
Transfer agent and regulatory fees		57,874		61,915
Payroll expense		64,551		90,815
Travel and accommodation		10,705		-
		1,778,537		2,377,283
OTHER ITEMS				
Foreign exchange gain (loss)		91,222		(8,827)
Transaction costs on marketable securities (Note 5)		(4,150)		-
Unrealized loss on marketable securities (Note 5)		(2,500)		-
Realized gain on marketable securities (Note 5)		-		109,686
Loss on derecognition of convertible debenture receivable (Note 7)		(359,167)		-
Gain on write-off of accounts payable		-		100,332
Loss on termination of option agreement (Note 6)		(26,000)		-
Impairment of exploration and evaluation assets (Note 6)		(9,049,155)		-
Other income (Note 9)		-		48,000
Accretion income (Note 7)		107,753		246,120
Interest expense (Note 8)		(142,064)		-
Accretion expense (Note 8)		(164,675)		-
Total other items		(9,548,736)		495,311
Loss for the year before taxes		(11,327,273)		(1,881,972)
Current income tax recovery (expense) (Note 14)		52,325		(52,325)
Deferred income tax recovery (Note 14)		107,788		-
		160,113		(52,325)
Net loss and comprehensive loss for the year	$	(11,167,160)	$	(1,934,297)
Loss per share				
Basic & diluted	$	(1.84)	$	(0.43)
Weighted average shares outstanding				
Basic & diluted		6,060,376		4,550,782

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

Ready Set Gold Corp.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED APRIL 30,

		2022		2021
CASH FLOW FROM OPERATING ACTIVITIES				
Net loss for the year	$	(11,167,160)	$	(1,934,297)
Items not affecting cash:				
Foreign exchange (gain) loss		-		8,827
Share-based payment charges		188,400		768,842
Unrealized loss on marketable securities		2,500		-
Realized gain on marketable securities		-		(109,686)
Loss on derecognition of convertible debenture receivable		359,167		-
Impairment of exploration and evaluation assets		9,049,155		-
Accretion income		(107,753)		(246,120)
Transaction costs incurred for amalgamation		-		93,971
Flow-through share premium		-		(48,000)
Deferred income tax recovery		(107,788)		-
Accretion expense		164,675		-
Changes in non-cash working capital items:				
GST receivable		(5,383)		(119,797)
Prepaid expenses and deposits		307,283		591,125
Accounts payable and accrued liabilities		(179,529)		(177,480)
Net cash used in operating activities		(1,496,433)		(1,172,615)
CASH FLOW FROM INVESTING ACTIVITIES				
Cash assumed on acquisition of Ready Set Gold		-		1,433,414
Proceeds from sale of marketable securities		-		113,286
Acquisition of marketable securities		(405,000)		-
Deposits made for exploration of Northshore Property		-		(75,000)
Exploration and evaluation expenditures		(227,060)		(1,365,383)
Proceeds from settlement of note receivable		1,525,729		-
Net cash provided by investing activities		893,669		106,317
CASH FLOW FROM FINANCING ACTIVITIES				
Share issuance cost		-		(7,160)
Proceeds from issuance of convertible debentures		2,061,617		-
Net cash provided by (used in) financing activities		2,061,617		(7,160)
Change in cash		1,458,853		(1,073,458)
Cash, beginning of year		190,898		1,264,356
Cash, end of year	$	1,649,751	$	190,898

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

Ready Set Gold Corp.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
FOR THE YEARS ENDED APRIL 30,

Supplemental disclosure of cash flow information:		**2022**		**2021**
Cash paid for interest	$	-	$	-
Cash paid for taxes	$	-	$	-
Non-cash investing and financing activities:				
Recognition of promissory note receivable	$	1,447,688	$	-
Derecognition of convertible debenture receivable	$	(1,806,855)	$	-
Exploration expenditures included in accounts payable and accrued liabilities	$	-	$	104,693
Shares issued for acquisition of exploration and evaluation assets	$	32,000	$	1,900,000
Finder’s fee shares issued for exploration and evaluation assets	$	-	$	43,500
Shares issued for amalgamations	$	-	$	7,352,678
Warrants issued for amalgamations	$	-	$	2,081,252

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

Ready Set Gold Corp.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)

	Share Capital							
	Common Shares		Amount	Obligation to issue shares	Reserves	Deficit		Total Equity
Balance, April 30, 2020	1,617,746	$	16,122,397	390,000	1,153,463	(16,499,406)	$	1,166,454
Shares and warrants issued for amalgamations (Note 4)	3,689,349		7,352,678	-	2,081,252	-		9,433,930
Shares issued for exploration and evaluation assets (Note 6)	633,333		1,900,000	-	-	-		1,900,000
Shares issued for property finder's fees (Note 6)	14,500		43,500	-	-	-		43,500
Settlement of share obligation	82,106		390,000	(390,000)	-	-		-
Share issuance cost	-		(7,160)	-	-	-		(7,160)
Share-based payments (Note 9)	-		-	-	768,842	-		768,842
Loss for the year	-		-	-	-	(1,934,297)		(1,934,297)
Balance, April 30, 2021	6,037,034	$	25,801,415	-	4,003,557	(18,433,703)	$	11,371,269
Shares issued for exploration and evaluation assets (Note 6)	40,000		32,000	-	-	-		32,000
Issuance of convertible debentures (Note 8)	-		-	-	399,214	-		399,214
Deferred income tax on convertible debentures (Note 14)	-		-	-	(107,788)			(107,788)
Issuance of finders' warrants (Notes 8 and 9)	-		-	-	74,733	-		74,733
Share-based payments (Note 9)	-		-	-	188,400	-		188,400
Loss for the year	-		-	-	-	(11,167,160)		(11,167,160)
Balance, April 30, 2022	6,077,034	$	25,833,415	-	4,558,116	(29,600,863)	$	790,668

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

(Expressed in Canadian Dollars)

1. NATURE OF OPERATIONS AND GOING CONCERN

Ready Set Gold Corp. ("Ready Set Gold" or the "Company") is a company incorporated on April 16, 2006 under the Business Corporations Act (British Columbia) as CCT Capital Ltd. The Company is now in the business of acquiring, exploring and evaluating mineral resource properties in Canada.

The Company traded on the TSX Venture Exchange (the "Exchange") under the symbol "OMNI" until it delisted effective as of the close of business on March 24, 2020. The Company is now trading on the Canadian Securities Exchange ("CSE") under the symbol "RDY". The Company's corporate office is located at Suite 220 - 333 Terminal Avenue, Vancouver, BC, Canada.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business. During the year ended April 30, 2022, the Company incurred a net loss of $11,167,160 (2021 - $1,934,297) and as at April 30, 2022, had an accumulated deficit of $29,600,863 (2021 - $18,433,703). The Company has not generated significant cash inflows from operations. These conditions cast significant doubt about the Company's ability to continue as a going concern. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate profitability and positive cash flow. These consolidated financial statements do not give effect to the adjustments that would be necessary should the Company be unable to continue as a going concern and to realize its assets and liquidate its liabilities and commitments at amounts different from those in the accompanying consolidated financial statements. Such adjustments could be material.

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 results of operations at this time.

2. BASIS OF PRESENTATION

Statement of Compliance

These consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and Interpretations of the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements were authorized for issue by the Board of Directors on August 26, 2022.

Principles of Consolidation

These consolidated financial statements are presented on a consolidated basis and include the accounts of the Company and its controlled entities. Control occurs when the Company is exposed to, or has rights to, variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. Details of controlled entities are as follows:

		Percentage Owned	
Entity	Place of Incorporation	April 30, 2022	April 30, 2021
1249319 BC Ltd.	British Columbia, Canada	100%	100%
Ready Set Gold ON Ltd.	British Columbia, Canada	100%	100%
8918627 Canada Ltd.	British Columbia, Canada	100%	100%
Omni Merger Sub Inc.	California, United States	100%	100%

All intercompany transactions and balances have been eliminated on consolidation.

Significant Accounting Judgements and Critical Accounting Estimates

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting year. Actual outcomes could differ from these estimates. These consolidated financial statements include estimates and judgements, which, by their nature, are uncertain. The impact of such estimates and judgements appear throughout the consolidated financial statements and may require 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 relevant factors that are believed to be reasonable under the circumstances.

Significant accounting judgments

Management must make judgments given the various options available as per accounting standards for items included in the consolidated financial statements. Judgments involve a degree of uncertainty and could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual events differ from a judgment made. A summary of items involving management judgment include, but are not limited to:

i) Recognition of deferred income tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

ii) The determination of the Company's and its subsidiaries' functional currency – The functional currency determination will be based on management's assessment of the primary economic environment in which the entities operate. The functional and reporting currency of the Company and its subsidiaries is the Canadian dollar.

iii) Assessment of the Company's ability to continue as a going concern – The assessment involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

iv) Business combination versus asset acquisition – Management has assessed the amalgamations completed during fiscal 2021 between a wholly-owned subsidiary of the Company and 4970 and a wholly-owned subsidiary of the Company and Ready Set Gold Corp. and have concluded that in their view the transactions are asset acquisitions as neither acquired entity had any processes capable of generating outputs and therefore did not constitute a business as defined in terms of IFRS 3 *Business Combinations* (Note 4).

v) Assessment of the collectability of the Company's convertible debenture – Management took the security provided by the conversion feature in the instrument and the debtor's financial capacity to repay into consideration in its assessment of the collectability of the Company's convertible debenture.

Critical accounting estimates

Key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year include, but are not limited to, the following:

i) Share-based payments – The fair value of share-based payments is determined using the Black-Scholes option pricing model. This option pricing model requires the input of subjective assumptions including the expected price volatility, option life, dividend yield, risk-free rate and estimated forfeitures at the initial grant.

ii) Impairment – At least annually or whenever there is an indicator for impairment management evaluates the recoverable amount of its exploration and evaluation assets. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral property interests. The Company uses several criteria in its assessments of economic recoverability and profitability of future economic benefit, including geologic and metallurgic information, economics assessment/studies, accessible facilities, existing permits, and ability to continue development.

iii) Convertible debentures – The determination of the carrying value of the convertible debentures on initial issuance is subject to management's estimates in determining an appropriate discount rate based on similar instruments with no conversion features.

iv) Fair value of net assets acquired – The fair value of the net assets of Ready Set Gold acquired through amalgamation was not readily available, as the Company's shares had been delisted since March 24, 2020. The value of the shares and warrants issued as part of this transaction was determined based on recent financing activity completed by the acquiree. Terms associated with option issuances completed by the Company were also considered when determining a fair value for the amalgamation consideration (Note 4).

v) Fair value of exploration and evaluation assets – Included in the capitalized exploration and evaluation assets are the shares issued to CLBT Inc. and Balmoral Resources Ltd. to acquire 56% and 44% interest, respectively, on the Northshore Property and issued to a third party agent as finder's fees related to the transaction with CLBT. The fair value of these shares cannot be fully based on observable market parameters as the common shares of the Company was not publicly traded during the time of the acquisitions. The fair value of the shares has been estimated based on the price of shares that the Company intended to offer to arm's length investors under private placement financing. Refer to Note 6 for details of the acquisitions.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been applied consistently by the Company and its subsidiaries to all periods presented during the most recent fiscal year.

Cash

Cash includes cash on deposit with maturities on the date of purchase of 90 days or less.

Foreign Currency Translation

Foreign currency transactions are translated into Canadian dollars as follows:

(i) Monetary assets and liabilities, at the rate of exchange in effect at the consolidated statement of financial position date;

(ii) Non-monetary assets and liabilities; at the exchange rates prevailing at the time of the acquisition of the assets or assumption of the liabilities or revalued amount at the exchange rate in effect at the consolidated statement of financial position date; and

(iii) Revenue and expense items, at the rate of exchange prevailing at the transaction date.

Gains and losses arising from the translation of foreign currency are included in the determination of net loss or other comprehensive loss consistent with where the gain or loss on the underlying non-monetary asset or liability has been recognized.

Income Taxes

Income tax expense is separated into current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regards to previous years. Deferred tax is recorded using the liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Temporary differences are not provided for goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect both accounting or taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Loss Per Share

The Company uses the treasury stock method to compute the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. For the years presented this calculation proved to be anti-dilutive.

Basic loss per share is calculated using the weighted-average number of common shares outstanding during the reporting period.

Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

Share-based Payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied. Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods and services received or at the fair value of the equity instruments issued if it is determined the fair value of goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

All equity-settled share-based payments are reflected in reserves until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserves is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled and settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Share Capital

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and development of its projects. These equity financing transactions may involve issuance of common shares and warrants. The Company's common shares are classified as equity instruments. Warrants that are issued as payment for agency fee or other transaction costs are accounted for as share-based payments and recognized as share issuance costs and reserves.

In situations where share capital is issued, or received, as non-monetary consideration and the fair value of the asset received, or given up is not readily determinable, the fair market value (as defined) of the shares is used to record the transaction. The fair market value of the shares issued, or received, is based on the trading price of those shares on the appropriate Exchange on the date of the agreement to issue shares as determined by the Board of Directors. Proceeds, and issue costs, from unit placements are allocated between shares and warrants issued according to the residual method.

Financial Instruments

Financial assets

(i) Recognition and measurement of financial assets

The Company recognizes a financial asset when it becomes a party to the contractual provisions of the instrument.

(ii) Classification of financial assets

The Company classifies financial assets at initial recognition as financial assets: measured at amortized cost, measured at fair value through other comprehensive income or measured at fair value through profit or loss.

Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost:

- The Company's business model for the such financial assets, is to hold the asset in order to collect contractual cash flows; and
- The contractual terms of the financial asset gives rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

A financial asset measured at amortized cost is initially recognized at fair value plus transaction costs directly attributable to the asset. After initial recognition, the carrying amount of the financial asset measured at amortized cost is determined using the effective interest method, net of impairment loss, if necessary.

Financial assets measured at fair value through other comprehensive income ("FVTOCI")

A financial asset measured at fair value through other comprehensive income is recognized initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, the asset is measured at fair value with changes in fair value included as "financial asset at fair value through other comprehensive income" in other comprehensive income.

Financial assets measured at fair value through profit or loss ("FVTPL")

A financial asset measured at fair value through profit or loss is recognized initially at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial asset is remeasured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

(iii) Derecognition of financial assets

The Company derecognizes a financial asset if the contractual rights to the cash flows from the asset expire, or the Company transfers substantially all the risks and rewards of ownership of the financial asset. Any interest in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in the consolidated statements of loss and comprehensive loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive loss.

<u>Financial liabilities</u>

(i) Recognition and measurement of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

(ii) Classification of financial liabilities

The Company classifies financial liabilities at initial recognition as financial liabilities: measured at amortized cost or measured at fair value through profit or loss.

Financial liabilities measured at amortized cost

A financial liability measured at amortized cost is initially measured at fair value less transaction costs directly attributable to the issuance of the financial liability. Subsequently, the financial liability is measured at amortized cost based on the effective interest rate method.

Financial liability measured at fair value through profit or loss

A financial liability measured at fair value through profit or loss is initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is remeasured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

(iii) Derecognition of financial liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable including any non-cash assets transferred or liabilities assumed, is recognized in the consolidated statement of loss and comprehensive loss.

Financial assets and liabilities are offset and the net amount is presented in the consolidated statement of financial position only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(iv) Compound financial instruments

Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and equity component assigned the residual amount.

Impairment of Financial Assets

The Company assesses, at each reporting date, whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset and that event has an impact on the estimated future cash flows of the financial asset or group of financial assets.

Exploration and Evaluation Assets

Costs incurred prior to acquiring the right to explore an area of interest are expensed as incurred. Once the legal right to explore has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to acquisition costs. These direct expenditures include such costs as materials used, staking costs, drilling costs, payments made to contractors and amounts arising under option agreements. Costs not directly attributable to exploration and evaluation expenditures, including general administration and overhead costs are expensed in the period in which they occur.

When a project is deemed to no longer have commercially viable prospects for the Company, the exploration and evaluation expenditures, along with the acquisition costs, are deemed to be impaired and written off.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as ‘Mines under construction’.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Mineral exploration and evaluation expenditures are classified as intangible assets.

Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company’s assets are reviewed to determine whether there are any indicators that the carrying value of those assets are impaired and may not be recoverable. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash generating unit (CGU), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU’s fair value less costs to sell and its value in use. An impairment loss is recognized in the consolidated statement of loss and comprehensive loss to the extent that the carrying amount exceeds the recoverable amount.

(Expressed in Canadian Dollars)

In calculating the recoverable amount, the Company uses discounted cash flow techniques to determine fair value when it is not possible to determine fair value either by quotes from an active market or a binding sales agreement. Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior periods. A reversal of an impairment loss is recognized immediately in the consolidated statement of loss and comprehensive loss.

4. AMALGAMATIONS

Dreamfields Brands

On September 18, 2019, the Company entered into a definitive transaction agreement (the "Dreamfields Definitive Agreement") with Dreamfields Brands, Inc. ("Dreamfields"), a California-based vertically-integrated cannabis manufacturing, distribution, branding, sales and events company. The Dreamfields Definitive Agreement provided that, subject to the satisfaction of certain conditions precedent, including applicable regulatory and stock exchange approvals, Dreamfields would complete a reverse takeover of the Company, pursuant to which the business of Dreamfields will become the business of the Company.

On April 3, 2020, the Company entered into an amalgamation agreement with a wholly-owned subsidiary of Ready Set Gold ("Ready Set Subco") and 1204970 B.C. Ltd. ("4970"), a private British Columbia corporation which is a creditor to Dreamfields, whereby 4970 will become a wholly-owned subsidiary of Ready Set Gold by way of a "three-cornered amalgamation" (the "Amalgamation"). Upon completion of the Amalgamation, all of the issued and outstanding common shares in the capital of 4970 (the "4970 Shares") held by the holders of the 4970 Shares (the "4970 Shareholders") will be cancelled and replaced by the issued shares of the Company.

On May 11, 2020, the Company completed the Amalgamation between Ready Set Subco and 4970 (amalgamated entity is 1249319 BC Ltd.) and issued 1,740,236 common shares to the 4970 Shareholders. The Company also expensed transaction costs of $93,971 as professional fees which were previously capitalized as deferred transaction costs. Upon completion of the Amalgamation, 4970 became a wholly-owned subsidiary of the Company.

At the time of the Amalgamation, 4970's net assets consisted primarily of a convertible debenture receivable with Dreamfields (the "Convertible Debenture") (Note 7), and it did not have any processes capable of generating outputs; therefore, 4970 did not meet the definition of a business. Accordingly, as 4970 did not qualify as a business in accordance with IFRS 3 *Business Combinations*, the amalgamation did not constitute a business combination and has been accounted for as an asset acquisition.

The Company's shares had been delisted since March 24, 2020, accordingly the fair value of the shares of the Company was not readily determinable. Management has determined the best estimate of fair value is represented by the fair value of the net assets acquired of 4970 in accordance with IFRS 2 *Share-based payments*, determined as follows.

Fair value of identifiable net assets acquired		
Convertible Debenture receivable	$	1,531,023
Accounts payable and accrued liabilities		(25,681)
	$	1,505,342
Total consideration paid		
1,740,236 common shares	$	1,505,342

(Expressed in Canadian Dollars)

Ready Set Gold

On December 4, 2020, the Company entered into a share exchange agreement for Ready Set Gold Corp. ("RSG ON"). Under the agreement, the Company was to exchange one common share for each RSG ON share held by shareholders of RSG ON, for a total of 1,949,113 shares. Furthermore, each warrant outstanding of RSG ON was exchanged for an equivalent warrant of the Company with the same terms. As a result, 939,359 warrants were issued subject to the merger.

At the time of the acquisition, RSG ON had assets and liabilities consisting of cash, prepaid expenses, exploration and evaluation assets, accounts receivable and payable, and a flowthrough premium liability. RSG ON did not have any processes capable of generating outputs therefore it did not meet the definition of a business. Accordingly, RSG ON did not qualify as a business under IFRS 3 *Business Combinations* and the acquisition did not constitute a business combination and has been accounted for as an asset acquisition, where the purchase premium was allocated to the exploration and evaluation asset based on the asset's value relative to RSG ON's other assets.

The Company's shares had been delisted since March 24, 2020, accordingly the fair value of the shares of the Company were not readily determinable. The shares were deemed to have a share price of $3.00 per share based on recent financing completed by RSG ON. The replacement warrants issued as part of the exchange consideration were determined to have a fair value of $2,081,252 based on the Black-Scholes option pricing model with the following inputs: share price of $3.00, exercise price of $3.00 - $5.00, expected life of 1.8 – 1.9 years, volatility of 185% and risk-free interest rate of 0.24%. These inputs were determined based on the terms outlined in the respective agreements, comparable company share prices and publicly available interest rate information.

Fair value of identifiable net assets acquired		
Cash	$	1,433,414
Prepaid expenses and deposits		910,453
Exploration and evaluation assets		5,849,705
Accounts receivable		2,668
Accounts payable and accrued liabilities		(280,850)
Flow-through premium liability		(48,000)
Due to Ready Set Gold Corp. (formerly, Omni Commerce Corp.)		61,199
	$	7,928,589
Total consideration paid		
1,949,113 common shares and 939,359 warrants	$	7,928,589

5. MARKETABLE SECURITIES

During the year ended April 30, 2022, the Company acquired 500,000 shares in Forty Pillars Mining Corp., 400,000 shares in Nevgold Corp., and 300,000 shares in Opawica Explorations Inc. The Company recognized costs of $4,150, associated with the acquisition of these shares, in profit and loss.

		Forty Pillars Mining Corp.		Nevgold Corp.		Opawica Explorations Inc.		Total
Balance, April 30, 2021	$	-	$	-	$	-	$	-
Addition		100,000		200,000		105,000		405,000
Unrealized gain (loss)		(37,500)		56,000		(21,000)		(2,500)
Balance, April 30, 2022	**$**	**62,500**	**$**	**256,000**	**$**	**84,000**	**$**	**402,500**

During the year ended April 30, 2021, the Company sold all 34,284 of its shares in Desert Gold Ventures Inc. for total proceeds of $5,091. The Company recognized a gain of $1,491 on these shares during the year ended April 30, 2021. The Company also held and sold all 244,000 of its shares in Slang Worldwide for total proceeds of $108,195. The Company recognized a gain of $108,195 on these shares during the year ended April 30, 2021.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS

The following table summarizes costs of expenditures on exploration and evaluation assets for years ended April 30, 2022 and 2021.

Acquisition costs		**NorthShore**	**Schreiber, Thunder Bay**	**Hemlo Eastern Flank**	**Emmons Peak**	**Total**
Balance, April 30, 2020	$	-	-	-	-	-
Additions		2,505,000	25,000	5,837,705	12,000	8,379,705
Balance, April 30, 2021	**$**	**2,505,000**	**25,000**	**5,837,705**	**12,000**	**8,379,705**
Additions		-	-	-	47,000	47,000
Impairment		(2,005,000)	-	(5,837,705)	(59,000)	(7,901,705)
Balance, April 30, 2022	**$**	**500,000**	**25,000**	**-**	**-**	**525,000**

Exploration costs		**NorthShore**	**Schreiber, Thunder Bay**	**Hemlo Eastern Flank**	**Emmons Peak**	**Total**
Balance, April 30, 2020	$	-	-	-	-	-
Geological consulting		299,605	-	-	-	299,605
Sampling		32,352	-	-	-	32,352
Magnetic survey		34,500	-	-	-	34,500
Equipment expenses		42,376	-	-	-	42,376
Drilling		483,057		-	-	483,057
Finder's fees		43,500	-	-	-	43,500
Balance, April 30, 2021	**$**	**935,390**	**-**	**-**	**-**	**935,390**
Geological consulting		88,394	-	-	-	88,394
Sampling		2,766	-	-	-	2,766
Magnetic survey		73,601	-	-	-	73,601
Equipment expenses		1,665	-	-	-	1,665
Drilling		45,634	-	-	-	45,634
Impairment		(1,147,450)	-	-	-	(1,147,450)
Balance, April 30, 2022	**$**	**-**	**-**	**-**	**-**	
NET BOOK VALUE						
Balance, April 30, 2021	**$**	**3,440,390**	**25,000**	**5,837,705**	**12,000**	**9,315,095**
Balance, April 30, 2022	**$**	**500,000**	**25,000**	**-**	**-**	**525,000**

The Company paid a $75,000 deposit to a vendor for drilling work on the North Shore property. The deposit will be deducted from future drilling invoices until fully applied. As at April 30, 2022 and 2021, the Company had a remaining deposit balance of $48,186.

North Shore Property

CBLT Inc.

On April 24, 2020, the Company entered into a letter of intent (the “CBLT LOI”) with CBLT Inc. ("CBLT"). The Company agreed to acquire CBLT’s right, title and interest in and to its 56% joint venture interest in the Northshore Gold Property (the “Northshore Property”), located in the Schreiber-Hemlo Greenstone Belt, 115 km west of Hemlo and 200 km east of Thunder Bay, on the terms in the CBLT LOI.

On June 1, 2020, the Company signed a definitive agreement to acquire the Northshore property. Both parties agreed on the following consideration for a total of $1,450,000:

- Payment of $25,000 in cash consideration as a non-refundable deposit, which was paid by the Company in connection with the entry into the letter of intent;
- Payment of $25,000 in cash consideration as a non-refundable deposit, which was paid by the Company in connection with the execution of the definitive agreement;
- Payment of $300,000 in cash consideration, which was due on the Closing date; and
- Issuance of $1,100,000 worth of common shares in the capital of the Company (each, an “Ready Set Gold Share”) at a price equal to the price of the Sub Receipts (as defined below) (collectively, the “Consideration Shares”) on the Closing date.

In addition, under the terms of the agreement, the Company agreed to consolidate its total issued and outstanding common shares on the basis of five pre-consolidation Ready Set Gold Shares for one post-consolidation Ready Set Gold Share (collectively, the “Consolidation”) prior to Closing. The Company also agreed to raise gross proceeds of not less than $1.5 million through the private placement (the “Financing”) of subscription receipts of Ready Set Gold (each, a “Sub Receipt”). Each Sub Receipt will be issued at a subscription price of $3.00 per Sub Receipt and will automatically convert into units of the Company (each, a “Unit”) in the event of the occurrence of the Escrow Release Condition (as defined herein) with each Unit comprised of one Ready Set Gold Share and one common share purchase warrant (each, a “Financing Warrant”), with each Financing Warrant entitling the holder to acquire one additional Ready Set Gold Share at an exercise price of $5.00 per post-consolidation Ready Set Gold Share for a period of 2 years from the date of issuance of the Financing Warrant. The Escrow Release Condition is the satisfaction or waiver of all conditions precedent to the Closing date.

As part of the closing of the transactions, CBLT waived the requirements for the Company to complete the Consolidation and the Financing.

On August 18, 2020, the Company completed the acquisition of CBLT’s 56% interest in the Northshore Property and made a cash payment of $300,000 and issued 366,667 Ready Set Gold shares with a fair value of $1,100,000. In connection with the transaction, the Company issued 14,500 common shares of the Company at total fair value of $43,500 to an arm’s length finder.

All of the Consideration Shares are subject to the terms of a voluntary escrow agreement dated August 18, 2020, which terms include the release of 25% of the Consideration Shares from escrow on each of the days which is four, six, eight and 12 months after the closing of the transaction. The voluntary escrow will be in addition to and any resale restrictions imposed under applicable securities laws. The finder’s shares are subject to a hold period expiring four months and one day from the closing of the transaction.

Balmoral Resources Ltd.

On June 11, 2020, the Company entered into a signed definitive agreement with Balmoral Resources Ltd. to obtain the remaining 44% of the Northshore property giving the Company 100% ownership. The Company paid $17,500 upon signing of an LOI and paid an additional $17,500 upon the signing of the definitive agreement on June 22, 2020.

In addition to these deposits, the Company has agreed to consideration of:

- Payment of $220,000 in cash consideration in addition to the deposits;
- Agreed to consolidate common shares on the basis of five pre-consolidation shares for one share prior to Closing;
- Issuance of 266,667 common shares of the Company; and
- Agreed to complete the Financing described above.

Balmoral also waived the requirements for the Company to complete the Consolidation and the Financing on Closing.

On August 31, 2020, the Company completed the acquisition of Balmoral's 44% interest in the Northshore Property and made a cash payment of $220,000 and issued 266,667 common shares in the capital of the Company with a fair value of $800,000. Subsequent to the acquisition, the Company officially held a 100% interest in the Northshore property.

Impairment of the Northshore Property

As a result of new information received regarding estimated mineral reserves on the Northshore Property, management determined that the carrying amount of costs capitalized to the property is unlikely to be recovered. As a result of this development, the Company performed an impairment test on its Northshore Property. The recoverable amount of the mineral property was assessed based on the property's fair value less costs of disposal given a value in use calculation is not applicable.

The recoverable amount was determined to be $500,000 using independently available market data. Based on this data, the Northshore Property was determined to have a fair value of $500,000. As this valuation technique requires management's judgment and estimates of the recoverable amount, it is classified within Level 3 of the fair value hierarchy.

As a result of the impairment test completed during the year ended April 30, 2022, the carrying value of the Northshore Property was found to exceed its recoverable amount by $3,152,450. An impairment charge of $3,152,450 has been applied to exploration and evaluation assets and recognized in profit and loss.

Schreiber Area, Thunder Bay

On August 14, 2020, the Company entered into a purchase agreement with Trillium Mining Corp. to purchase a 100% owned interest in mining rights of 11 contiguous claims comprising a total of 233.963 hectares located in the Schreiber Area of Thunder Bay Mining Division, Ontario. The Company has agreed to pay Trillium Mining Corp. a cash consideration of $25,000. During the year ended April 30, 2021, the Company has made payment in full to the vendor. As at April 30, 2022, all the claims are in good standing.

Hemlo Eastern Flanks Project

As a result of its amalgamation activity, the Company acquired Ready Set Gold's 100% undivided interest in the Hemlo Eastern Flanks property. $5,837,705 of the consideration issued to complete the Company's amalgamation with RSG ON was allocated to this property (Note 4).

Impairment of the Hemlo Eastern Flanks Project

The Company has been engaged in ongoing consultations with local First Nations on continued exploration of its Hemlo Eastern Flanks property. Pursuant to these consultations, management determined the value of claims positioned on the property are unlikely to be sufficient to justify continued exploration and negotiation activities. As of July 2022, the Company made the decision to cease further exploration activities on the Hemlo Eastern Flanks Project. Given the indicators of impairment, a test of recoverable amount was required. A value in use calculation is not applicable as the Company does not have any expected cash flows from using the Hemlo Eastern Flanks Project. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than $nil. As a result of this assessment, the Company recognized a $5,837,705 impairment charge against the Hemlo Eastern Flanks Project. As this valuation technique requires management's judgment and estimates of the recoverable amount, it is classified within Level 3 of the fair value hierarchy.

Emmons Peak Project

On June 26, 2020, prior to its amalgamation, Ready Set Gold entered into an option agreement to acquire a 100% undivided interest in the Emmons Peak Project. This property was located 50 km south of Dryden, ON. In order to exercise the Option Agreement, the Company had to make the following payments:

- Cash payment of $12,000 five days from execution of the Option Agreement – paid;
- Cash payment of $15,000 and 40,000 shares on the first anniversary of the Option Agreement – paid and issued;
- Cash payment of $20,000 and 40,000 shares on the second anniversary of the Option Agreement;
- Cash payment of $28,000 on the third anniversary of the Option Agreement.

Impairment of the Emmons Peak Project

As of April 30, 2022, the Company no longer intends to continue exploring its Emmons Peak property. As such, the Company terminated its option agreement to acquire an interest in this project. Given the indicators of impairment, a test of recoverable amount was required. A value in use calculation is not applicable as the Company does not have any expected cash flows from using the Emmons Peak Project. In estimating the fair value less costs of disposal, management did not have observable or unobservable inputs to estimate the recoverable amount greater than $nil. As a result of this assessment, the Company recognized a $59,000 impairment charge against the Emmons Peak Project. As this valuation technique requires management's judgment and estimates of the recoverable amount, it is classified within Level 3 of the fair value hierarchy. The Company also incurred $26,000 in expenses pertaining to costs incurred in terminating the option agreement.

7. NOTE RECEIVABLE

The Company's subsidiary, 4970, held a Convertible Debenture receivable from Dreamfields in the principal amount of $1,643,736. The Convertible Debenture bore interest at 8% per annum and matured on October 28, 2021. The principal amount and any accrued interest were convertible into common shares of Dreamfields at a conversion price of $0.09580355 per share at the option of 4970 at any time.

At the time of the Amalgamation, the fair value of the Convertible Debenture was estimated to be $1,531,023 by discounting the expected future cash flows using an estimated fair value interest rate of 15%. This interest rate was based on other companies of comparable size with similar risk profiles.

On June 10, 2021, the Company agreed to replace the Convertible Debenture issued by Dreamfields with a Promissory Note receivable of USD$1,259,064 (CDN$1,523,945). The new note bore interest at 8% per annum and matured on October 28, 2021. On the replacement date, the Company derecognized the Convertible Debenture, then with a carrying value of $1,806,855, and recognized the Promissory Note at its fair value of $1,447,688. The fair value of the Promissory Note was determined by discounting the expected future cash flows using an estimated fair value interest rate of 15%. The Company recognized a loss of $359,167 on the conversion of the Convertible Debenture receivable to the Promissory Note receivable.

During the year ended April 30, 2022, the Company recognized an aggregate of $107,753 (2021 - $246,120) as interest income. Interest income consisted of $78,041 (2021 - $Nil) from the Promissory Note receivable and $29,712 (2021 - $246,120) from the Convertible Debenture prior to derecognition. As of April 30, 2022, the carrying value of the Promissory Note was $Nil (2021 - $1,777,143) as the note was collected in full during the year ended April 30, 2022.

8. CONVERTIBLE DEBENTURES

Issuance during the year ended April 30, 2022

a) Tranche 1

June 21, 2021 – unsecured convertible debentures for gross proceeds of $1,820,000.

b) Tranche 2

July 28, 2021 – unsecured convertible debentures for gross proceeds of $441,000.

These convertible debentures bear interest at a rate of 7.5% per annum and increase to 9% in the third year following issuance. Interest is payable annually, up to and including the maturity date which is three years from the date of issuance. The principal amount of the debentures may be converted, in whole or in part, at any time before the maturity date into units at $1.35 per common share. After 24 months from the closing date, if the common shares trade at or above $4.50 or 233% of the conversion price on a 30-day volume-weighted average price basis on the CSE, the Company shall have the right, exercisable within 10 business days of the end of the trading period, to require conversion of the debentures into debenture shares at the conversion price by giving the holder 10 business days' prior written notice. Attached to each unit of the debentures is 3,334 common share purchase warrants. Each warrant will be exercisable at a price of $2.50 per warrant share for a period of three years from the date of issuance. A total of 1,507,635 warrants were issued in conjunction with the convertible debentures.

These debentures were determined to be a financial instrument comprising an equity classified conversion feature with a host debt component. On initial recognition, the Company used the residual value method to allocate the principal amount of the debentures between the two components. The host debt component was first valued, based on similar debt securities without an embedded conversion feature and the residual was allocated to the equity-classified conversion feature. Based on this valuation approach, a discount rate of 15% was used in valuing the host debt component. The equity-classified conversion feature was also split into the warrant portion and the common share portion (Note 9).

In connection with the issuance of the debentures, the Company:

a) Issued an aggregate of 77,135 finders' warrants, valued at $74,733 based on their grant date fair value determined using the Black-Scholes Option Pricing Model (Note 9).

b) Incurred $199,383 in directly attributable cash transaction costs for finders' fees.

The transaction costs were allocated consistent with the initial recognition of the convertible debentures which resulted in $219,039 and $55,077 being allocated to the debt and equity components, respectively.

(Expressed in Canadian Dollars)

A continuity of the Company's convertible debenture is as follows:

		2022 Debentures
Balance, April 30, 2020 and 2021	$	-
Issued during the year		2,261,000
Conversion feature		(244,240)
Warrants		(210,051)
Transaction costs		(219,039)
Accretion		164,675
Balance, April 30, 2022	**$**	**1,752,345**

The following is a schedule of future minimum repayments of convertible debentures as at April 30, 2022:

		2022 Debentures
2022		-
2023		-
2024		2,261,000
	$	**2,261,000**

$142,064 in interest was accrued on the debentures as of April 30, 2022 (2021 - $Nil) and is included in accounts payable and accrued liabilities.

9. SHARE CAPITAL AND RESERVES

a) Authorized share capital:

Unlimited number of voting common shares without par value.
Unlimited number of preferred shares without par value.

b) Issued share capital:

As at April 30, 2022, the Company had 6,077,034 common shares issued and outstanding (April 30, 2021 – 6,037,034). 207,328 shares were in escrow at April 30, 2022. These shares are to be released from escrow in equal traches of 51,832 shares on January 11 and July 11 until January 11, 2024.

On August 15, 2022, the Company effected a consolidation of its total issued and outstanding common shares on the basis of five pre-consolidation Ready Set Gold Shares for one post-consolidation Ready Set Gold Share. The references to the number of common shares, options and warrants, have been adjusted retroactively to reflect the share consolidation. The exercise or conversion price of, and the number of common shares issuable under any securities of the Company has been proportionally adjusted upon the completion of the share consolidation.

During the year ended April 30, 2022:

The Company issued 40,000 common shares with estimated fair value of $32,000 as part of the requirements to exercise the option to acquire a 100% undivided interest in the Emmons Peak Project.

During the year ended April 30, 2021:

The Company issued 3,689,349 common shares with an estimated fair value of $7,352,678 in conjunction with amalgamations (Note 4).

(Expressed in Canadian Dollars)

The Company issued 366,667 and 266,667 common shares with estimated fair values of $1,100,000 and $800,000 to purchase a 56% and 44% interest in the Northshore property, respectively (Note 6).

The Company issued 14,500 common shares as finder's fee in connection with the purchase of a 56% interest of the Northshore property (Note 6).

The Company issued 82,106 common shares to settle its $390,000 obligation to issue shares.

The Company entered into flow-through share subscription agreements whereby it was obligated to incur a total of $240,000 on flow-through eligible expenditures by December 31, 2021. As of April 30, 2021, the Company had fulfilled its exploration expenditure obligations pertaining to the flow-through shares issued and recognized $48,000 in other income.

c) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers, directors, employees, and consultants enabling them to acquire up to 10% of the issued and outstanding shares of the Company.

Stock option transactions and the number of share options outstanding are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Balance, April 30, 2020	153,700	$	4.70
Granted	416,000		3.00
Expired / Forfeited	(700)		(5.00)
Balance, April 30, 2021	**569,000**	**$**	**3.45**
Granted	770,000		0.80
Expired / Forfeited	(432,750)		(3.40)
Balance, April 30, 2022	**906,250**	**$**	**1.20**

As at April 30, 2022, the following stock options were outstanding and exercisable:

Outstanding Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date
45,000	45,000	$3.00	June 11, 2022
6,250	6,250	$3.00	May 25, 2025
10,000	10,000	$0.60	December 31, 2022
20,000	20,000	$1.25	December 31, 2022
30,000	30,000	$3.00	January 7, 2023
10,000	10,000	$0.60	January 31, 2023
100,000	100,000	$3.00	December 4, 2025
25,000	25,000	$1.25	May 19, 2026
30,000	22,500	$1.25	June 1, 2026
10,000	2,500	$1.25	November 29, 2026
40,000	10,000	$0.80	November 29, 2026
40,000	10,000	$0.85	November 29, 2026
190,000	190,000	$0.60	January 17, 2027
300,000	-	$0.70	February 11, 2027
50,000	8,333	$0.78	February 21, 2027
906,250	**489,583**		

(Expressed in Canadian Dollars)

During the year ended April 30, 2022, the Company granted 770,000 options (2021 – 416,000). 50,000 of the options vest quarterly over a period of one year following the grant date of May 25, 2021. 30,000 of the options vest quarterly over a period of one year following the grant date of June 1, 2021. 40,000 of the options vest quarterly over a period of one year following the grant date of June 14, 2021. 90,000 of the options vest quarterly over a period of one year following the grant date of November 29, 2021. 210,000 of the options vested immediately on the grant date of January 17, 2022. 300,000 of the options vest quarterly over a period of one year following the grant date of February 11, 2022. 50,000 of the options vest monthly over a period of one year following the grand date of February 21, 2022.

The options were valued using the Black-Scholes option pricing model with the following inputs: share price of $0.60 - $1.25, exercise price of $0.60 – $1.25, expected life of 5 years, volatility of 181% – 216% and risk-free interest rate of 0.73% – 1.73%. These inputs were determined based on the terms outlined in the respective option agreements, the Company's share prices and publicly available interest rate information.

During the year ended April 30, 2022, 279,750 options were forfeited. These forfeitures resulted in a $146,698 reversal of share-based payment expenses. 85,000 options of several directors were modified to expire one year after the date of resignation. No incremental share-based payment expense was recognized in association with these modifications due to the options decreasing in value post-modification.
During the year ended April 30, 2022, the Company recognized $188,400 (2021 - $768,842) in share-based payment expenses.

As at April 30, 2022, the weighted average remaining contractual life of all outstanding options is 4.00 years (2021 – 2.44 years).

d) Warrants

As at April 30, 2022, warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Options		**Weighted Average Exercise Price**
Balance, April 30, 2020	-	$	-
Granted	939,359		5.00
Expired / Forfeited	-		-
Balance, April 30, 2021	**939,359**	**$**	**5.00**
Granted	1,584,769		2.35
Expired / Forfeited	-		-
Balance, April 30, 2022	**2,524,129**	**$**	**3.35**

The Company granted 1,507,635 warrants (2021 – 938,939) during the year-ended April 30, 2022, pursuant to the issuance of the convertible debentures (Note 8). A value of $192,371 (2021 - $Nil) was assigned to the warrants based on their proportion of the equity component of the convertible debenture reserve. This proportion was determined based on the relative fair value of the warrants relative to the value of the convertible debenture conversion feature. The fair value for these warrants was valued using the Black Scholes option pricing model with the following inputs: share price of $0.95 - $1.20, exercise price of $1.35, expected life of 3 years, volatility of 179% - 180% and risk-free interest rate of 0.38% - 0.44%.

The Company also granted 77,135 finders' warrants in conjunction with the convertible debenture financing. The finders' warrants were valued at $74,733 using the Black-Scholes option pricing model with the following inputs: share price of $0.95 - $1.20, exercise price of $2.35, expected life of 3 years, volatility of 179% - 180% and risk-free interest rate of 0.38% - 0.44%.

(Expressed in Canadian Dollars)

These Black Scholes inputs were determined based on the terms outlined in the respective warrant agreements, the Company's share prices and publicly available interest rate information.

As at April 30, 2022, the weighted average remaining contractual life of outstanding warrants is 1.53 years (2021 – 1.47 years).

e) Reserves

As at April 30, 2022, the Company had the following reserves:

		Share-based Payments	Convertible Debenture Conversion Feature	Total
Balance, April 30, 2020	$	1,153,463	-	1,153,463
Shares and warrants issued for amalgamations		2,081,252	-	2,081,252
Share-based payments		768,842	-	768,842
Balance, April 30, 2021	**$**	**4,003,557**	**-**	**4,003,557**
Issuance of convertible debentures		210,051	244,240	454,291
Transaction costs		(25,467)	(29,610)	(55,077)
Deferred income tax recovery		-	(107,788)	(107,788)
Issuance of finders' warrants		74,733	-	74,733
Share-based payments		188,400	-	188,400
Balance, April 30, 2022	**$**	**4,451,274**	**106,842**	**4,558,116**

10. RELATED PARTY BALANCES AND TRANSACTIONS

The Company has determined that key management personnel consists of the Company's Board of Directors and its executive officers. During the years ended April 30, 2022 and 2021, the Company incurred the following fees charged by directors and officers and companies controlled by directors and officers of the Company:

Key management personnel	Nature of transactions		2022		2021
A company controlled by current CEO	Management		170,736		73,865
A company controlled by former CFO	Management		-		20,000
Former CEO, current director	Management		170,000		-
Current directors	Management		33,000		-
Former VP of Exploration	Management		30,000		-
A company controlled by a current director	Consulting		-		90,190
Current CEO, current director	Consulting		-		59,132
Current directors	Consulting		-		61,000
Former CEO, current director	Consulting		-		31,500
Former CEO, former director	Payroll		4,100		-
Former directors	Payroll		7,600		-
Former VP of Exploration	Payroll		24,695		-
Current CFO	Payroll		5,571		-
Current CEO	Payroll		18,324		-
Total		**$**	**464,026**	**$**	**335,687**

In addition to management and consulting fees, $289,642 (2021 - $442,931) in share-based compensation expenses were incurred by the Company in relation to options granted in the current year and vesting from prior years.

(Expressed in Canadian Dollars)

At April 30, 2022, $32,612 (2021 - $47,037) was owed to related parties for management and consulting fees payable. These amounts are non-interest bearing, unsecured and due on demand.

11. FINANCIAL INSTRUMENTS AND RISK

Fair value

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liabilities either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

The Company's primary financial instruments are classified as follows:

Financial instruments	Classifications
Cash	Fair Value through Profit and Loss
Marketable securities	Fair Value through Profit and Loss
Convertible debenture receivable	Amortized Cost
Accounts payable and accrued liabilities	Amortized Cost
Convertible debentures	Amortized Cost

The fair value of accounts payable and accrued liabilities approximates its carrying amount due to its short-term nature. The carrying value of the Company's convertible debenture approximates its fair value due to minimal changes in interest rates and the Company's credit risk on the instruments. Cash and marketable securities are measured at fair value using level 1 inputs.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk that a customer or counterparty to a financial instrument will cause a financial loss to the Company by failing to meet its obligations. The Company's financial instrument that is exposed to concentrations of credit risk is primarily cash. The Company limits its exposure to credit risk with respect to cash by holding it with major Canadian financial institutions.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at April 30, 2022, the Company had a cash balance of $1,649,751 (2021 - $190,898) to settle current liabilities of $270,550 (2021 - $450,079). All of the Company's current financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company's convertible debentures are due on June 21, 2024 and July 28, 2024 (note 8).

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, commodity, and equity prices.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes to market interest rates. The Company has cash balances and a convertible debenture that bear interest at 7.5% per annum. The Company is satisfied with the credit ratings of its banks and the interest rate on the convertible debenture is fixed. The Company believes it has no significant interest rate risk.

(ii) Foreign currency risk

Foreign exchange risk arises from fluctuations in the future cash flows of a financial instrument because of changes in foreign exchange rates. The Company is exposed to foreign exchange rate risk on its foreign currency denominated cash. As at April 30, 2022, the Company had $1,354,345 (2021 - $1,614) in cash denominated in the United States Dollar.

The Company does not have a formal policy to mitigate risks arising from changes in foreign currency exchange rates. Based on the balances as at April 30, 2022, fluctuations in the Canadian dollar and US dollar exchange rates could have a potentially significant impact on the Company's results from operations. Assuming all other variables remain constant, a 10% change in the value of the Canadian dollar against the US dollar would result in an approximate $135,000 change in profit or loss.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company's marketable securities are valued at quoted prices, and are therefore directly affected by fluctuations in the market value of the underlying securities. A 10% change in the quoted prices of the Company's marketable securities would result in an approximate $40,000 change in profit or loss.

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. In the management of capital, the Company monitors its capital, which comprises all components of equity (i.e., share capital, reserves and deficit) and convertible debentures.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue common shares through private placements. The Company is not exposed to any externally imposed capital requirements.

No changes were made to capital management during the year ended April 30, 2022.

13. SEGMENTED INFORMATION

During the year ended April 30, 2022, the Company continued its one business segment in the mining sector. All long-term assets are located in Canada.

(Expressed in Canadian Dollars)

14. INCOME TAXES

The actual income tax provisions differ from the expected amounts calculated by applying the Canadian combined federal and provincial corporate income tax rates to the Company's loss before income taxes. The components of these differences for the years ended April 30 are as follows:

		2022		2021
Loss before taxes for the year	$	(11,327,273)	$	(1,881,972)
Canadian federal and provincial income tax rates		27.00%		27.00%
Expected income tax recovery based on the above rates	$	(3,058,364)	$	(508,132)
Non-deductible expenditures		52,075		150,154
Financing fees charged to equity		(53,833)		(1,933)
Flow-through expenditures incurred		-		64,800
Change in tax assets not recognized		2,900,009		329,449
Income tax expense (recovery)	$	(160,113)	$	34,338

For the year ended April 30, 2022, the company recognized a total income tax recovery of $160,113. $52,325 was recognized as a current income tax recovery with the remaining $107,788 being recognized as a deferred income tax recovery. For the year ended April 30, 2021, an additional $17,987 in income tax expenses relating to income tax on interest income earned in 1204970 BC Ltd. prior to its acquisition was also recognized by the Company. For the year ended April 30, 2021, in total, the Company recognized $52,325 in current income tax expenses.

The significant components of the Company's unrecognized deferred income tax assets and liabilities are as follows:

		April 30, 2022		April 30, 2021
Deferred income tax assets (liabilities)				
Non-capital losses	$	4,365,000	$	3,868,000
Property and equipment		308,000		308,000
Exploration and evaluation assets		2,394,000		(48,000)
Share issuance costs		44,000		22,000
Convertible debentures		(137,000)		-
Total	$	6,974,000	$	4,150,000

As at April 30, 2022, the Company had non capital losses of approximately $16,165,000 (2021 - $14,326,000) that may be available to offset future income for income tax purposes, which commence expiring in 2027 to 2042. $5,944,000 (2021 - $5,944,000) of the non-capital losses relate directly to the Company's previous branded goods business. The Company has resource expenditure pools totaling $3,560,000 (2021 - $3,300,000) available for deduction against certain resource-based income that may be carried forward indefinitely.

Due to the uncertainty of realization of these deductible temporary differences, the tax benefit is not reflected in the consolidated financial statements.