Ready Set Gold Corp.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED JULY 31, 2022 AND 2021

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDIT OR REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, if an auditor has not performed a review of the interim financial statements they must be accompanied by a note indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed consolidated interim financial statements have been prepared by and are the responsibility of the management. The Corporation's independent auditor has not performed a review of these interim financial statements.

Ready Set Gold Corp.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)
AS AT

		July 31, 2022		April 30, 2022
ASSETS				
Current assets				
Cash	$	1,276,954	$	1,649,751
Marketable securities (Note 4)		527,000		402,500
GST receivable		10,404		166,611
Prepaid expenses and deposits		12,074		21,515
Total current assets		1,826,432		2,240,377
Non-current assets				
Long-term deposits (Note 5)		48,186		48,186
Exploration and evaluation assets (Note 5)		525,000		525,000
Total assets	$	2,399,618	$	2,813,563
LIABILITIES AND EQUITY				
Current liabilities				
Accounts payable and accrued liabilities (Note 9)	$	210,850	$	270,550
Non-current liabilities				
Convertible debentures (Note 7)		1,805,095		1,752,345
Total liabilities		2,015,945		2,022,895
Equity				
Share capital (Note 8)		25,833,415		25,833,415
Reserves (Note 8)		4,581,486		4,558,116
Deficit		(30,031,228)		(29,600,863)
Total equity		383,673		790,668
Total liabilities and equity	$	2,399,618	$	2,813,563

Nature of operations and going concern (Note 1)
Subsequent event (Note 13)

Approved and authorized on behalf of the Board:

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

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

Ready Set Gold Corp.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)
FOR THE THREE MONTHS ENDED JULY 31,

		2022		2021
EXPENSES				
Consulting fees (Note 9)	$	16,000	$	143,595
Management fees (Note 9)		70,894		118,871
Marketing		1,171		165,201
Office and miscellaneous		4,611		(6,790)
Insurance expenses		7,441		10,619
Professional fees		10,975		45,156
Share-based payments (Notes 8 and 9)		23,370		121,735
Transfer agent and regulatory fees		3,876		14,518
Payroll expense (Note 9)		22,607		42,608
Travel and accommodation		10,321		-
		171,266		655,513
OTHER ITEMS				
Foreign exchange gain (loss)		(5,166)		13,315
Transaction costs on marketable securities (Note 4)		(1,475)		-
Unrealized loss on marketable securities (Note 4)		(75,393)		-
Loss on derecognition of convertible debenture (Note 6)		-		(359,167)
Impairment of exploration and evaluation assets (Note 5)		(81,573)		-
Accretion income (Note 6)		-		78,943
Interest expense (Note 7)		(42,742)		(15,231)
Accretion expense (Note 7)		(52,750)		(16,159)
Total other items		(259,099)		(298,299)
Loss for the period before taxes		(430,365)		(953,812)
Current income tax recovery		-		52,325
Net loss and comprehensive loss	$	(430,365)	$	(901,487)
Loss per share				
Basic and diluted	$	(0.07)	$	(0.15)
Weighted average shares outstanding				
Basic and diluted		6,077,034		6,037,034

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

Ready Set Gold Corp.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)
FOR THE THREE MONTHS ENDED JULY 31,

		2022		2021
CASH FLOW FROM OPERATING ACTIVITIES				
Net loss for the three months ended	$	(430,365)	$	(901,487)
Items not affecting cash:				
Foreign exchange (gain) loss		-		(13,315)
Share-based payment charges		23,370		121,735
Unrealized loss (gain) on marketable securities		75,393		-
Loss on derecognition of convertible debentures		-		359,167
Impairment of exploration and evaluation assets		81,573		-
Accretion income		-		(78,943)
Accretion expense		52,750		16,159
Changes in non-cash working capital items:				
GST receivable		156,207		44,874
Prepaid expenses and deposits		9,441		19,484
Accounts payable and accrued liabilities		(59,700)		(305,191)
Net cash used in operating activities		(91,331)		(737,517)
CASH FLOW FROM (USED IN) INVESTING ACTIVITIES				
Acquisition of marketable securities		(199,893)		-
Exploration and evaluation expenditures		(81,573)		(12,401)
Proceeds from promissory notes receivable		-		533,381
Net cash provided by (used in) investing activities		(281,466)		520,980
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issuance of convertible debentures		-		2,151,980
Net cash provided by financing activities		-		2,151,980
Change in cash		(372,797)		1,935,443
Cash, beginning of year		1,649,751		190,898
Cash, end of three month period	$	1,276,954	$	2,126,341
Supplemental disclosure of cash flow information:				
Cash paid for interest	$	162,075	$	-
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)

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

Ready Set Gold Corp.
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Share Capital								
	Common Shares		Amount		Reserves		Deficit		Total Equity
Balance, April 30, 2021 (Note 8)	6,037,034	$	25,801,415	$	4,003,557	$	(18,433,703)	$	11,371,269
Issuance of convertible debentures (Note 7)	-		-		416,068		-		416,068
Issuance of finders' warrants (Notes 7 and 8)	-		-		74,733		-		74,733
Share-based payments (Notes 8 and 9)	-		-		121,735		-		121,735
Loss for the three months ended	-		-		-		(901,487)		(901,487)
Balance, July 31, 2021	6,037,034	$	25,801,415	$	4,616,093	$	(19,335,190)	$	11,082,318
Balance, April 30, 2022	6,077,034	$	25,833,415	$	4,558,116	$	(29,600,863)	$	790,668
Share-based payments (Notes 8 and 9)	-		-		23,370		-		23,370
Loss for the three months ended	-		-		-		(430,365)		(430,365)
Balance, July 31, 2022	6,077,034	$	25,833,415	$	4,581,486	$	(30,031,228)	$	383,673

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

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 head office, registered office and records office is located at Suite 220 - 333 Terminal Avenue, Vancouver, BC, Canada.

These condensed consolidated interim 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 three months ended July 31, 2022, the Company incurred a net loss of $430,365 (2021 - $901,487) and as at July 31, 2022, had an accumulated deficit of $30,031,228 (April 30, 2022 - $29,600,863). 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 condensed consolidated interim 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 condensed consolidated interim 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 condensed consolidated interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB have been condensed or omitted and these condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended April 30, 2022.

The Company's management makes judgements in its process of applying the Company's accounting policies in the preparation of its condensed consolidated interim financial statements. In addition, the preparation of the financial data requires that the Company's management make assumptions and estimates of the effects of uncertain future events on the carrying amounts of the Company's assets and liabilities at the end of the reporting period and the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates as the estimation process is inherently uncertain. Estimates are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates and the resulting effects on the carrying amounts of the Company's assets and liabilities are accounted for prospectively. The critical statements are consistent with those applied and disclosed in the Company's consolidated financial statements for the year ended April 30, 2022. In addition, other than noted below, the accounting policies applied in these condensed consolidated interim financial statements are consistent with those applied and disclosed in the Company's audited consolidated financial statements for the year ended April 30, 2022.

The Company's interim results are not necessarily indicative of its results for a full year.

(Expressed in Canadian Dollars)

These condensed consolidated interim financial statements were authorized and issued by the Board of Directors on September 27, 2022.

Principles of Consolidation

These condensed consolidated interim 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 right 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:

Entity	Place of Incorporation	Percentage Owned as at July 31, 2022 and April 30, 2022
1249319 BC Ltd.	British Columbia, Canada	100%
Ready Set Gold ON Ltd.	British Columbia, Canada	100%
8918627 Canada Ltd.	British Columbia, Canada	100%
Omni Merger Sub Inc.	California, United States	100%

All intercompany transactions and balances have been eliminated on consolidation.

Significant Accounting Judgements and Critical Accounting Estimates

The preparation of the Company's condensed consolidated interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the condensed consolidated interim financial statements and reported amounts of income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant accounting judgements and critical accounting estimates were the same as those applied to the audited financial statements as at and for the year ended April 30, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with the accounting policies disclosed in Note 3 of the audited consolidated financial statements for the year ended April 30, 2022. These condensed consolidated interim financial statements should be read in conjunction with the Company's audited consolidated financial statements for the year ended April 30, 2022.

4. MARKETABLE SECURITIES

During the three month period ended July 30, 2022, the Company acquired 1,000,000 shares in Origen Resources Inc. and recognized costs of $1,475 associated with the acquisition of these shares in profit and loss.

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.

(Expressed in Canadian Dollars)

	Forty Pillars Mining Corp.	Nevgold Corp.	Opawica Explorations Inc.	Origen Resources 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**
Addition	-	-	-	199,893	199,893
Unrealized gain (loss)	(37,500)	(48,000)	(60,000)	70,107	(75,393)
Balance, July 31, 2022	**$ 25,000**	**$ 208,000**	**$ 24,000**	**$ 270,000**	**$ 527,000**

5. EXPLORATION AND EVALUATION ASSETS

The following table summarizes costs of expenditures on exploration and evaluation assets for the three months ended July 31, 2022 and the year ended and April 30, 2022.

Acquisition costs	**Northshore Property**	**Schreiber Area Claims**	**Hemlo Eastern Flanks**	**Emmons Peak**	**Total**
Balance at 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 at April 30, 2022	**$ 500,000**	**$ 25,000**	**$ -**	**$ -**	**$ 525,000**
Balance at July 31, 2022	**$ 500,000**	**$ 25,000**	**$ -**	**$ -**	**$ 525,000**

Exploration costs	**Northshore Property**	**Schreiber Area Claims**	**Hemlo Eastern Flanks**	**Emmons Peak**	**Total**
Balance at 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 at April 30, 2022	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Geological consulting	77,286	-	-	-	77,286
Sampling	1,413	-	-	-	1,413
Equipment expenses	2,874	-	-	-	2,874
Impairment	(81,573)	-	-	-	(81,573)
Balance at July 31, 2022	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**

NET BOOK VALUE					
Balance at April 30, 2022	**$ 500,000**	**$ 25,000**	**$ -**	**$ -**	**$ 525,000**
Balance at July 31, 2022	**$ 500,000**	**$ 25,000**	**$ -**	**$ -**	**$ 525,000**

The Company paid a $75,000 deposit to a vendor for drilling work on the Northshore Property. The deposit will be deducted from subsequent drilling invoices relating to future projects until fully applied. As at July 31, 2022, the Company had a remaining deposit balance of $48,186.

Northshore Property

On June 1, 2020, the Company entered a definitive agreement with CBLT Inc. ("CLBT") to acquire CLBT's right, title and interest in and to its 56% 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. The Company paid $25,000 upon initially signing a letter of intent ("LOI") with CLBT, and an additional $25,000 upon the signing of the definitive agreement.

Under the terms of the agreement, the Company agreed to pay CLBT cash consideration of $300,000 and issue to CLBT $1,100,000 worth of common shares in the capital of the Company. Under the terms of the agreement, the Company also agreed to consolidate its total issued and outstanding common shares on the basis of five pre-consolidation shares for one post-consolidation share prior to closing and to raise gross proceeds of not less than $1.5 million through a private placement financing ("the Financing"). However, CBLT waived the requirements for the Company to complete this share consolidation and the Financing.

On August 18, 2020, the Company completed the acquisition of CBLT's 56% interest in the Northshore Property by making a cash payment of $300,000 and issuing 366,667 Ready Set Gold shares with a fair value of $1,100,000.

On June 22, 2020, the Company signed a definitive agreement with Balmoral Resources Ltd. ("Balmoral"), a subsidiary of Wallbridge Mining Company Limited, to obtain the remaining 44% of the Northshore Property, giving the Company 100% ownership of the property. The Company paid $17,500 upon initially signing an LOI and paid an additional $17,500 upon signing the definitive agreement on June 22, 2020.

Under the terms of the agreement, the Company agreed to pay Balmoral cash consideration of $220,000, and issue to Balmoral 266,667 common shares of the Company. Under the terms of the agreement, the Company also agreed to consolidate its common shares on the basis of five pre-consolidation shares for one post-consolidation share prior to closing, and to complete the Financing as described above. Balmoral also waived the requirements for the Company to complete the consolidation and the Financing.

On August 31, 2020, the Company completed the acquisition of Balmoral's 44% interest in the Northshore Property by making a cash payment of $220,000 and issuing 266,667 common shares in the capital of the Company with a fair value of $800,000. Subsequent to the acquisition of the 44% interest, 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, 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 was applied to exploration and evaluation assets during the year-ended April 30, 2022.

During the three months ended July 31, 2022, the company capitalized and impaired $81,573 in exploration and evaluation expenditures associated with the Northshore Property. During the period, the Company incurred fees for consulting on matters related to the Northshore Property and fees associated with a resource estimate of the Northshore Property, among other costs. In alignment with IFRS 6 and the Company’s significant accounting policies, these fees and costs were initially recognized as exploration and evaluation assets as incurred. However, these assets were impaired to reflect the Northshore Property’s recoverable amount of $500,000, as was reported during the year ended April 30, 2022.

Schreiber Area Claims

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 agreed to pay Trillium Mining Corp. a cash consideration of $25,000, which the Company paid on August 18, 2020. As at July 31, 2022, all of the claims are in good standing.

Hemlo Eastern Flanks Project

On December 4, 2020, the Company entered into a share exchange agreement for Ready Set Gold ON Ltd. As a result of this amalgamation, the Company acquired Ready Set Gold ON Ltd.’s 100% undivided interest in the Hemlo Eastern Flanks property. $5,837,705 of the consideration issued to complete the Company’s amalgamation with Ready Set Gold ON Ltd. was allocated to this property.

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 the recoverable amount was required. A value in use calculation was not applicable as the Company did 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 of April 30, 2022. 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, the Company 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 needed to make cash payments of $75,000 and issue 80,000 common shares in the capital of the Company over a period of three years from the date of the option agreement.

Impairment of the Emmons Peak Project

The Company decided to discontinue 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 was not applicable as the Company did 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 during the year ended April 30, 2022 As this valuation technique required management's judgment and estimates of the recoverable amount, it is classified within Level 3 of the fair value hierarchy.

6. PROMISSORY NOTE RECEIVABLE

On May 11, 2020 the Company completed an amalgamation between Ready Set Subco (a wholly owned subsidiary of Ready Set Gold) and 1204970 B.C. Ltd. (the amalgamated entity is 1249319 BC Ltd.). At the time of the amalgamation, 1204970 B.C. Ltd held a convertible debenture receivable from Dreamfields Brands Inc. with an estimated fair value of $1,531,023 (the "Dreamfields Debenture") derived 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. The Dreamfields Debenture bore interest at 8% per annum and had a maturity date of October 28, 2021.

On June 10, 2021, the Company agreed to replace the Dreamfields Debenture with a promissory note (the "Dreamfields Note") receivable of USD$1,259,064 (CDN$1,523,945). The Dreamfields Note bore interest at 8% per annum and matured on October 28, 2021. On the replacement date, the Company derecognized the Dreamfields Debenture, then with a carrying value of $1,806,855, and recognized the Dreamfields Note at its fair value of $1,447,688. The fair value of the Dreamfields 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 Dreamfields Debenture to the Dreamfields Note.

The Dreamfields Note was collected in full during the year ended April 30, 2022. Accretion income of $78,943 ($49,231 attributable to the Dreamfields Note and $29,712 attributable to the Dreamfields Debenture) was recorded during the three months ended July 31, 2021.

7. CONVERTIBLE DEBENTURES

During the year ended April 30, 2022, the Company closed a private placement of 2,261 units (the "Units") priced at $1,000 per Unit as follows:

a) The Company closed Tranche 1 on June 21, 2021, issuing 1,820 Units for gross proceeds of $1,820,000

b) The Company closed Tranche 2 on July 28, 2021, issuing 441 Units for gross proceeds of $441,000

Each Unit is comprised of:

i. A $1,000 convertible debenture principal amount, bearing interest at 7.5% per annum and increasing 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.

ii. 667 common share purchase warrants of the Company. Each warrant will be exercisable at a price of $2.35 per warrant share for a period of three years from the date of issuance. A total of 1,507,635 warrants were issued.

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.

The convertible 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 convertible 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 8).

(Expressed in Canadian Dollars)

In connection with the issuance of the convertible 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 8).

b) Incurred $199,382 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.

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

		Carrying Value of Convertible Debentures
Balance, April 30, 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	**$**	**1,752,345**
Accretion		52,750
Balance, July 31, 2022	**$**	**1,805,095**

As of July 31, 2022, $22,731 in interest was accrued on the convertible debentures (April 30, 2022 - $142,064).

8. 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 July 31, 2022, the Company had 6,077,034 common shares issued and outstanding (April 30, 2021 – 6,037,034). At July 31, 2022, 155,496 shares were in escrow. 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.

The Company had no share capital activity during the three months ended July 31, 2022 and 2021.

(Expressed in Canadian Dollars)

c) Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common 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, 2021	**569,000**	**$**	**3.45**
Granted	770,000		0.80
Expired	(432,750)		(3.40)
Balance, April 30, 2022	**906,250**	**$**	**1.20**
Granted	-		-
Expired	(51,250)		(3.00)
Balance, July 31, 2022	**855,000**	**$**	**1.10**
Number of options, exercisable	**555,833**	**$**	**1.29**

As at July 31, 2022, the following stock options were outstanding and exercisable:

Outstanding Number of Options	Exercisable Number of Options	Exercise Price	Expiry Date
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	30,000	$1.25	June 1, 2026
10,000	5,000	$1.25	November 29, 2026
40,000	20,000	$0.80	November 29, 2026
40,000	20,000	$0.85	November 29, 2026
190,000	190,000	$0.60	January 17, 2027
300,000	75,000	$0.70	February 11, 2027
50,000	20,833	$0.78	February 21, 2027
855,000	**555,833**		

During the three months ended July 31, 2021, the Company granted 120,000 options to directors and officers of the Company; 50,000 of these options vest quarterly over a period of one year following the grant date of May 25, 2021, 30,000 options vest quarterly over a period of one year following the grant date of June 1, 2021, and 40,000 options vest quarterly over a period of one year following the grant date of June 14, 2021. These options were valued using the Black-Scholes option pricing model with the following inputs: share price of $1.05, exercise price of $1.25, expected life of 5 years, volatility of 212% -216% and risk-free interest rate of 0.73% -0.79%. 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 three months ended July 31, 2021, 51,250 options of several directors that resigned were modified to expire one year after the date of resignation. No incremental share-based payment expense was recognized in association with this modification to the options decreasing in value post-modification.

(Expressed in Canadian Dollars)

During the three months ended July 31, 2022, the Company recognized $23,370 (2021 – $121,735) in share-based compensation.

As of July 31, 2022, the weighted average remaining contractual life of outstanding options is 3.98 years (April 30, 2022 – 4.00 years).

d) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, April 30, 2021	**939,359**	**$**	**5.00**
Granted	1,584,770		2.35
Expired	-		-
Balance, April 30, 2022 and July 31, 2022	**2,524,129**	**$**	**3.33**

As at July 31, 2022, the following warrants were exercisable:

Outstanding and Exercisable Number of Warrants	Exercise Price	Expiry Date
3,341	$3.00	September 23, 2022
276,080	$5.00	September 23, 2022
6,486	$3.00	September 29, 2022
129,653	$5.00	September 29, 2022
420	$3.75	November 6, 2022
523,379	$5.00	November 6, 2022
1,286,391	$2.35	June 21, 2024
298,379	$2.35	July 28, 2024
2,524,129		

During the three months ended July 31, 2021, the Company granted 1,507,635 warrants pursuant to the issuance of the convertible debentures (Note 7). 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 $2.35, expected life of 3 years, volatility of 179% - 180% and risk-free interest rate of 0.38% - 0.44%.

During the three months ended July 31, 2021, the Company also granted 77,135 finders' warrants in conjunction with the convertible debentures. 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%.

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 of July 31, 2022, the weighted average remaining contractual life of outstanding warrants is 1.28 years (April 30, 2022 – 1.53 years).

(Expressed in Canadian Dollars)

e) Reserves

As at July 31, 2022, the Company had the following reserves:

		Share-based Payments	Convertible Debenture Conversion Feature	Total
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**
Share-based payments		23,370	-	23,370
Balance at July 31, 2022	**$**	**4,474,644**	**106,842**	**4,581,486**

9. 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 three months ended July 31, 2022 and 2021, the Company incurred the following fees charged by directors and officers and companies controlled by directors and officers of the Company:

	Nature of transactions		For the three months ended July 31, 2022		2021
Key management personnel:					
A company controlled by current CEO	Management		39,394		38,871
Current directors	Management		31,500		-
Former CEO, former director	Management		-		80,000
Current CEO	Payroll		15,600		-
Current CFO	Payroll		4,680		-
Former directors	Payroll		-		7,600
Former CEO, former director	Payroll		-		4,100
Former VP of Exploration	Consulting		-		28,406
Total		**$**	**91,174**	**$**	**158,977**

In addition to management, payroll, and consulting fees, during the three months ended July 31, 2022, $41,183 (2021 - $135,985) in share-based payments expenses were incurred by the Company in relation to options granted to directors and officers of the Company.

At July 31, 2022, $94,295 (April 30, 2022 - $32,612) was owed to related parties in management fees payable. These amounts are non-interest bearing, unsecured and due on demand.

(Expressed in Canadian Dollars)

10. 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
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 July 31, 2022, the Company had a cash balance of $1,276,954 (April 30, 2022 - $1,649,751) to settle current liabilities of $210,850 (April 30, 2022 - $270,550). All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. The Company's convertible debentures are due on June 1, 2024 and July 28, 2024 (Note 7).

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.

a) 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 convertible debentures 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 is not currently subject to significant interest rate risk.

b) 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 July 31, 2022, the Company had $1,199,156 (April 30, 2022 - $1,354,345) 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 July 31, 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 a $120,000 change in profit or loss.

c) 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. Assuming all other variables remain constant, a 10% change in the quoted prices of the Company's marketable securities would result in an approximate $53,000 change in profit or loss.

11. 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 or raise funds through the issuance of convertible debentures. The Company is not exposed to any externally imposed capital requirements.

No changes were made to capital management during the three months ended July 31, 2022.

12. SEGMENTED INFORMATION

During the three months ended July 31, 2022, the Company continued its one business segment in the mining sector. All long-term assets are located in Canada.

13. SUBSEQUENT EVENT

On August 30, 2022, the Company paid $235,440 to acquire 3,894,000 shares of Cleghorn Minerals Ltd.

On September 23, 2022, 279,421 outstanding warrants expired.