Hemlo Explorers

Condensed Interim Financial Statements

Three and Six Months Ended July 31, 2022

(unaudited)

(expressed in Canadian dollars)

Notice of non-review of condensed interim financial statements

In accordance with National Instrument 51-102 Continuous Disclosure Obligations of the Canadian Securities Administrators, notice is given that the condensed interim financial statements for the six month period ended July 31, 2022 have not been reviewed by the Company's auditors.

Hemlo Explorers Inc.
Condensed Interim Statements of Financial Position
(Unaudited and expressed in Canadian dollars)

	July 31, 2022	January 31, 2022
Assets		
Current assets		
Cash and cash equivalents *(note 5)*	$ 851,205	$ 1,643,634
Marketable securities *(note 6)*	8,740	23,460
Accounts receivable	54,697	46,604
Prepaid expenses	23,595	68,280
	938,237	1,781,978
Non-Current assets		
Equipment, net *(note 7)*	10,424	13,113
Right of use asset, net *(note 8)*	11,575	16,205
	21,999	29,318
Total Assets	$ 960,236	$ 1,811,296
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 157,136	$ 77,142
Deferred premium on flow-through shares *(note 14)*	-	27,328
Lease liability - current *(note 8)*	9,106	9,106
	166,242	113,576
Non-Current liabilities		
Lease liability - long term *(note 8)*	2,651	7,272
	168,893	120,848
Shareholders' Equity		
Share capital *(note 10)*	34,525,482	34,525,482
Contributed surplus *(note 11)*	7,809,827	7,205,627
Warrants *(note 12)*	285,786	889,986
Accumulated deficit	(41,829,752)	(40,930,647)
	791,343	1,690,448
Total Equity and Liabilities	$ 960,236	$ 1,811,296

Subsequent events *(note 17)*

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

Hemlo Explorers Inc.
Condensed Interim Statements of Operations and Comprehensive Loss
(Unaudited and expressed in Canadian dollars)

	Three months ended July 31		Six months ended July 31,	
	2022	**2021**	**2022**	**2021**
Expenses				
Exploration expenditures *(note 9 and 15)*	$ **321,578**	$ **648,582**	$ **600,069**	$ **1,686,186**
Management and administrative services *(note 15)*	**63,111**	**63,383**	**133,423**	**129,852**
Shareholder information	**23,772**	**12,524**	**57,619**	**15,133**
Office and administration	**14,946**	**21,028**	**40,666**	**52,802**
Professional and consulting fees	**61,165**	**9,715**	**71,905**	**17,199**
Travel	**7,499**	**-**	**16,572**	**-**
Loss on fair value of marketable securities	**10,120**	**-**	**14,720**	**-**
Depreciation and amortization *(note 7 and 8)*	**3,659**	**4,119**	**7,319**	**7,932**
Interest expense *(note 8)*	**66**	**112**	**144**	**235**
Recovery of exploration expenditures *(note 9)*	**(9,600)**	**-**	**(9,600)**	**-**
Premium on flow-through shares income *(note 14)*	**(4,859)**	**-**	**(27,328)**	**-**
Interest income	**(4,469)**	**(5,794)**	**(6,404)**	**(6,735)**
Net loss and comprehensive loss	$ **(486,988)**	$ **(753,669)**	$ **(899,105)**	$ **(1,902,604)**
Basic and diluted net loss per share *(note 13)*	$ **(0.01)**	$ **(0.03)**	$ **(0.03)**	$ **(0.07)**

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

Hemlo Explorers Inc.
Condensed Interim Statements of Cash Flows
(Unaudited and expressed in Canadian dollars)

For the six months ended July 31,	2022	2021
Operating Activities		
Net loss	$ (899,105)	$ (1,902,604)
Items not affecting cash and cash equivalents from operating activities:		
Interest income	(6,404)	(6,735)
Fair value of marketable securities	14,720	-
Depreciation and amortization	7,319	7,932
Accretion	144	235
Premium on flow-through shares income	(27,328)	-
Changes in non-cash working capital items		
Accounts receivable	(8,093)	(16,190)
Prepaid expenses	44,685	(515)
Accounts payable and accrued liabilities	79,993	(225,117)
	(794,068)	(2,142,994)
Financing Activities		
Repayment of lease liability *(note 8)*	(4,765)	(4,765)
	(4,765)	(4,765)
Investing Activities		
Interest income	6,404	6,735
Equipment purchases	-	(1,675)
	6,404	5,060
Net change in cash and cash equivalents	(792,429)	(2,142,699)
Cash and cash equivalents, beginning of period	1,643,634	3,385,944
Cash and cash equivalents, end of period	$ 851,205	$ 1,243,245

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

Hemlo Explorers Inc.
Condensed Interim Statements of Changes in Equity
(Unaudited and expressed in Canadian dollars)

	Share Capital		Reserves			
	Number of shares	Amount	Contributed surplus	Warrants	Accumulated deficit	Total
Balance, January 31, 2021	**27,123,823**	**$ 33,154,766**	**$ 6,993,792**	**$ 604,200**	**$ (37,556,612)**	**$ 3,196,146**
Net loss and comprehensive loss for the period	-	-	-	-	(1,902,604)	(1,902,604)
Balance, July 31, 2021	**27,123,823**	**$ 33,154,766**	**$ 6,993,792**	**$ 604,200**	**$ (39,459,216)**	**$ 1,293,542**
Private placement *(note 10)*	7,864,076	1,827,143				1,827,143
Flow-through share premium *(note 14)*		(41,233)				(41,233)
Value of private placement attributed to warrants		(262,813)		262,813		
Cost of issue of private placement		(152,381)		22,973		(129,408)
Share-based compensation *(note 11)*			211,835			211,835
Net loss and comprehensive loss for the period					(1,471,431)	(1,471,431)
Balance, January 31, 2022	**34,987,899**	**$ 34,525,482**	**$ 7,205,627**	**$ 889,986**	**$ (40,930,647)**	**$ 1,690,448**
Fair value of warrants expired	-	-	604,200	(604,200)	-	-
Net loss and comprehensive loss for the period	-	-	-	-	(899,105)	(899,105)
Balance, July 31, 2022	**34,987,899**	**$ 34,525,482**	**$ 7,809,827**	**$ 285,786**	**$ (41,829,752)**	**$ 791,343**

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

1. Nature of Operations

Hemlo Explorers Inc. (the "Company") was incorporated pursuant to the provision of the Business Corporations Act (of Alberta) on January 10, 2008. On July 21, 2008, the Company was authorized to continue its operations from the jurisdiction of Alberta to Ontario. On May 20, 2020, the Company changed its name from Canadian Orebodies Inc. to Hemlo Explorers Inc. The address of the Company's registered office is 141 Adelaide Street West, Suite 301, Toronto, Ontario M5H 3L5. Its principal business activity is the exploration of mineral properties. The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain reserves that are economically recoverable. The recoverability of the cumulative expenditures on mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete exploration and development, and upon future profitable production or proceeds from disposition of such properties.

During the period, there was a continued global outbreak of COVID-19. Although the restrictions put in place by the Canadian governments regarding travel, business operations and isolation/quarantine orders are slowly being eased, there remains a risk to the Company's operations. At this time, it is unknown the extent of the impact COVID-19 may have on the Company as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the full extent of the impact remains unknown, we anticipate this outbreak may continue to cause supply chain disruptions, and staff shortages, all of which may negatively impact the Company's business and financial condition.

In light of the continuing pandemic, the Company has taken precautions to ensure the safety and well-being of all personnel at site, as well as the surrounding communities.

2. Basis of Presentation and Statement of Compliance

These condensed interim financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS 34") as issued by the IASB. Accordingly, they do not include all of the information required for full annual financial statements as required by IFRS. These condensed interim financial statements should be read in conjuction with the Company's audited annual financial statements for the year ended January 31, 2022.

These financial statements have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business, and on a historical cost basis except for the revaluation of certain financial instruments. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. The financial statements were approved by the Board of Directors on September 28, 2022.

(Unaudited and expressed in Canadian dollars)

3. Significant Accounting Policies

The financial framework and accounting policies applied in the preparation of these unaudited condensed interim financial statements are consistent with those as disclosed in the most recently completed audited annual financial statements for the year ended January 31, 2022.

(a) Changes in accounting policies

The Company did not adopt any new accounting policies during the period ended July 31, 2022.

4. Critical Accounting Estimates and Significant Judgements

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. The financial statements include judgments and estimates which, by their nature, are uncertain, and actual outcomes could differ. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and also in future periods when the revision affects both current and future periods.

The preparation of these financial statements required the following critical accounting estimates and significant judgments:

(i) The calculation of the fair value of warrants and stock options requires the use of estimates of inputs in the Black-Scholes option pricing model (notes 11 and 12).

(ii) Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

5. Cash and Cash Equivalents

Cash and cash equivalents include money market instruments which are readily convertible into cash or have maturities at the date of purchase of less than ninety days.

	July 31, 2022	**January 31, 2022**
Cash	$ 89,467	$ 138,300
GICs and money market instruments	761,738	1,505,334
Cash and cash equivalents	**$ 851,205**	**$ 1,643,634**

(Unaudited and expressed in Canadian dollars)

6. Marketable Securities

During the year ended January 31, 2022, the Company received equity securities as partial compensation for the option of a property. The following is a summary of the fair value of the Company's marketable securities:

	July 31, 2022	January 31, 2022
First Energy Metals Limited	$ 8,740	$ 23,460
Marketable securities	**$ 8,740**	**$ 23,460**

7. Equipment

	Exploration Equipment	Office & Computers	Total
Cost			
Balance, January 31, 2021	$ 11,804	$ 6,177	$ 17,981
Additions	-	7,666	7,666
Balance, January 31, 2022	11,804	13,843	25,647
Balance, July 31, 2022	**$ 11,804**	**$ 13,843**	**$ 25,647**
Accumulated depreciation			
Balance, January 31, 2021	$ (1,328)	$ (999)	(2,327)
Depreciation expense	(3,143)	(7,064)	(10,207)
Balance, January 31, 2022	(4,471)	(8,063)	(12,534)
Depreciation expense	(1,099)	(1,590)	(2,689)
Balance, July 31, 2022	**$ (5,570)**	**$ (9,653)**	**$ (15,223)**
Net book value			
Balance, January 31, 2021	$ 10,476	$ 5,178	$ 15,654
Balance, January 31, 2022	7,333	5,780	13,113
Balance, July 31, 2022	**$ 6,234**	**$ 4,190**	**$ 10,424**

(Unaudited and expressed in Canadian dollars)

8. Leases and Right of Use

The Company's lease contract, which is for a vehicle, requires monthly payments of $794 plus HST until November 16, 2023. The following table summarizes the Company's lease liabilities:

Balance, January 31, 2021	**$**	**25,484**
Accretion of interest		425
Payments		(9,531)
Balance, January 31, 2022	**$**	**16,378**
Accretion of interest		144
Payments		(4,765)
Balance, July 31, 2022	**$**	**11,757**
Current		9,106
Non-current		2,651
Total lease liabilities	**$**	**11,757**

The following table summarizes the Company's right-of-use asset:

Balance, January 31, 2021	**$**	**25,465**
Depreciation		(9,260)
Balance, January 31, 2022	**$**	**16,205**
Depreciation		(4,630)
Balance, July 31, 2022	**$**	**11,575**

9. Mineral Properties and Exploration Expenditures

The total cumulative expenditures, net of recoveries, on each property in the Company's mineral property portfolio are as follows:

	Idaho	North Limb	Pic	Hemlo West	Belcher Islands & Other	Total
January. 31, 2021	**$ -**	**$ 1,610,199**	**$ 6,923,256**	**$ 204,622**	**$ 14,218,002**	**$ 22,956,079**
Expenditures	-	2,327,926	369,129	36,191	4,904	2,738,150
January 31, 2022	**$ -**	**$ 3,938,125**	**$ 7,292,385**	**$ 240,813**	**$ 14,222,906**	**$ 25,694,229**
Expenditures	345,402	15,779	238,888	-	-	600,069
Recoveries	-	(9,600)	-	-	-	(9,600)
July 31, 2022	**$ 345,402**	**$ 3,944,304**	**$ 7,531,273**	**$ 240,813**	**$ 14,222,906**	**$ 26,284,698**

9. Mineral Properties and Exploration Expenditures - continued

North Limb Project

On May 24, 2016, the Company purchased a 100% interest in 135 claim units comprising 2,160 hectares approximately 40 kilometers northeast of Marathon, Ontario. As consideration, the Company paid a total of $25,000 in cash and issued 41,666 common shares valued at $25,000. In addition, the vendors retain a 1% Net Smelter Return ("NSR") royalty on the purchased claims.

In addition to the purchased claims, the Company staked claims totaling 4,848 hectares.

On May 8, 2020, the Company closed the purchase of the Hemlo West and North Hemlo projects (collectively, the "Projects") from O3 Mining Inc. ("O3"). At closing, the Company issued 850,000 common shares to O3, valued at $229,500. The North Hemlo project added 64 mining claim cells to the North Limb Project. If in the future the Company publishes a feasibility study in respect of the Projects that contains at least 2,000,000 ounces of gold categorized as Probable Mineral Reserves, Proven Mineral Reserves or a combination thereof, then the Company shall pay a discovery bonus of $1,000,000 (in cash or shares, at the election of the Company) to O3 within ten days of such publication.

Pic Project

Staked Claims

In addition to the option and claim purchases described below, the Company has staked mining claim cells that form a portion of the Pic Project.

Wire Lake Claims

On October 7, 2016, the Company entered into an option agreement with All-Terrain Track Sales & Services Ltd. ("ATTSS") to acquire a 100% interest in 251 claim units comprising 4,047 hectares approximately 15 kilometers northeast of Marathon, Ontario. On signing, the Company paid $40,000 in cash and issued 26,042 common shares valued at $25,000. The option agreement called for the Company to make additional cash payments to ATTSS totaling $550,000 over the following five anniversary dates of the option agreement. The option was completed on October 7, 2021 and the Company granted ATTSS a 2% NSR royalty, one-half of which may be bought back for a lump sum payment of $1,000,000.

Black Raven Claims

On April 23, 2017, the Company entered into an acquisition agreement (the "Acquisition Agreement") with StrikePoint Gold Inc. ("StrikePoint") to acquire a 100% interest in 415 claim units (the "Black Raven Claims") totaling 6,640 hectares located adjacent to the Company's Wire Lake Claims. Pursuant to the Acquisition Agreement, the Company paid $15,000 cash on signing, and issued 416,667 common shares valued at $587,500. Additionally, the Company issued 83,333 share purchase warrants, valued at $40,025, entitling StrikePoint to acquire up to 83,333 common shares at a price of $1.89 per share for a period of 12 months.

9. Mineral Properties and Exploration Expenditures - continued

Pic Project - continued

In conjunction with the Acquisition Agreement, on April 23, 2017 the Company executed a termination and assumption agreement (the "Termination and Assumption Agreement") with the underlying optionors of the Black Raven Claims in order to terminate the underlying option agreement, discharge a future milestone payment and assume the underlying royalty obligations. The Termination and Assumption Agreement called for the Company to issue 66,667 common shares on signing to the Optionors, valued at $94,000, and assume a 2.5% NSR royalty. The royalty agreement provides that 1.5% of the NSR royalty may be bought back by the Company at any time upon payment of $1,500,000, or in increments of 0.5% NSR royalty for $500,000 each.

Goodchild Claims

On February 20, 2018, the Company purchased the Goodchild Lake mining claims (the "Goodchild Claims") from the court-appointed receiver of Century Mining Corporation (“Century”) for a cash payment of $40,000, the assumption of Century’s three percent (3%) net smelter returns royalty obligations in respect of the Goodchild Claims and the payment of a portion of the receiver’s expenses associated with the transaction. In connection with the purchase, the Company also entered into an agreement with Teck Resources Limited (“Teck”) to terminate certain rights Teck had in relation to the Goodchild Claims in exchange for the granting to Teck of a one-half of one percent (0.5%) net smelter returns royalty in respect of the Goodchild Claims. The Company also entered into an agreement with the existing net smelter returns royalty holders on the Goodchild Claims to vary the terms on which the royalty may be bought down. In exchange for the issuance of 13,333 shares of the Company, valued at $12,000, the Company obtained the right to purchase up to two-thirds of the royalty for $1,500,000.

Benton Claims

On August 16, 2018, the Company completed the acquisition of the "Goodchild Lake" mining claims (the "Benton Claims") from Benton Resources Inc. ("Benton"). The Benton Claims consists of 31 claim cells totaling approximately 500 hectares, and covers a prospective trend adjacent to the northwest portion of the Company’s 100% owned Black Raven Claims. As consideration for the purchase, the Company issued Benton 33,333 common shares in the capital stock of the Company valued at $27,000 and granted Benton a 1.5% net smelter returns royalty (“NSR”). The Company will have the option to buy-down 50% of the NSR at any time for the sum of $750,000.

Hemlo West Project

On May 8, 2020, the Company closed the purchase of the Hemlo West and North Hemlo projects (collectively, the "Projects”) from O3 Mining Inc. (“O3”). The Hemlo West Project consists of 350 mining claim cells located approximately 10 kilometres east of Marathon, Ontario. If in the future the Company publishes a feasibility study in respect of the Projects that contains at least 2,000,000 ounces of gold categorized as Probable Mineral Reserves, Proven Mineral Reserves or a combination thereof, then the Company shall pay a discovery bonus of $1,000,000 (in cash or shares, at the election of the Company) to O3 within ten days of such publication.

9. Mineral Properties and Exploration Expenditures - continued

Belcher Islands Iron Project

On February 14, 2011, the Company entered into a non-arm's length Purchase Agreement (the "Agreement") to acquire up to a 100% legal and beneficial interest in the Inuit Owned Lands Mineral Exploration Agreement (the "NTI Agreement") with Nunavut Tunngavik Incorporated ("NTI") which covers the Haig Inlet Iron Project with an area of approximately 1,226 hectares, located on the Belcher Islands, Nunavut, Canada. The Company now holds a 100% interest in the NTI Agreement and the vendors retain a 3% gross overriding royalty, of which one-third can be purchased by the Company for a maximum of $3,000,000. In addition to the lands acquired under the Agreement, the Company staked 29 claims covering 21,816 hectares of Municipal Land.

Hawkins Project Royalty Interest

The Company has a 0.5% NSR royalty on the Hawkins project, which covers 1,536 hectares located in the Hawkins and Walls Townships. The Hawkins project is owned by Pavey Ark Minerals Inc. and under option to E2Gold Inc.

10. Share Capital

Authorized share capital

On November 25, 2021, and December 2, 2021 the Company closed a private placement financing for gross proceeds totaling $1,827,143 over two tranches. In the first tranche, the Company issued 4,925,332 units ("Units"), each comprised of one non flow-through common share and half of one common share purchase warrant (each whole common share purchase warrant, a "Warrant") and 1,529,300 "flow-through" units ("FT Units"), each comprised of one flow-through common share and half of one Warrant, for aggregate gross proceeds of approximately $1,505,818. In the second tranche, the Company issued 1,289,444 Units and 120,000 FT Units for aggregate gross proceeds of approximately $321,325. Each Warrant is exercisable to acquire one common share of the Company (a "Warrant Share") at an exercise price of $0.40 per Warrant Share until May 25, 2023, but subject to certain accelerated expiry terms (note 12). The Company paid issuance costs of $74,371, cash finders' fees of $55,036 and issued 233,226 finder's warrants (note 12) valued at $22,973 as compensation in connection with the financing.

At July 31, 2022, the authorized share capital consisted of an unlimited number of common shares and the issued share capital amounted to 34,987,899 common shares for $34,525,482. The common shares do not have a par value. All issued shares are fully paid.

Exercise of Warrants

During the year ended January 31, 2022 and six months ended July 31, 2022, no share purchase warrants were exercised.

(Unaudited and expressed in Canadian dollars)

11. Share Options

The Company has a Share Option Plan (the "Plan") under which it is authorized to grant options to purchase common shares of the Company to directors, senior officers, employees and/or consultants of the Company. The aggregate number of shares of the Company which may be issued and sold under the Plan will not exceed 10% of the total number of common shares issued and outstanding from time to time. Share options are granted with a maximum term of five years with vesting requirements at the discretion of the Board of Directors.

The Company records a charge to the statements of operations and comprehensive loss using the Black-Scholes fair valuation option pricing model with respect to a share option grant. The valuation is dependent on a number of estimates, including the risk-free interest rate, the level of share volatility, together with an estimate of the expected life. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

On September 27, 2021, the Company granted 300,000 share options to employees and consultants of the Company, vesting immediately, and exercisable at $0.35 per share for a period of five years from the date of issuance. The value ascribed to the 300,000 share options granted was estimated at $63,600 using the Black-Scholes model for option pricing. The assumptions used to determine the value were: stock price - $0.28; expected dividend yield - 0%; weighted expected volatility - 108.88%; risk-free interest rate - 1.06% and an expected life of 5 years.

On January 11, 2022, the Company granted 1,150,000 share options to directors, officers, employees and consultants of the Company, vesting immediately, and exercisable at $0.225 per share for a period of five years from the date of issuance. The value ascribed to the 1,150,000 share options granted was estimated at $148,235 using the Black-Scholes model for option pricing. The assumptions used to determine the value were: stock price - $0.17; expected dividend yield - 0%; weighted expected volatility - 109.97%; risk-free interest rate - 1.50% and an expected life of 5 years.

The following table reflects the continuity of share options for the year ended January 31, 2022 and six months ended July 31, 2022:

	Options	Weighted avg. exercise price
Balance, January 31, 2021	2,701,667	$ 0.67
Granted	1,450,000	0.25
Expired	(666,667)	0.71
Balance, January 31, 2022	3,485,000	$ 0.49
Expired	(611,666)	0.72
Balance, July 31, 2022	**2,873,334**	**$ 0.44**

(Unaudited and expressed in Canadian dollars)

11. Share Options - continued

The following table reflects the actual share options issued, exercisable, and outstanding as at July 31, 2022.

Expiry date	Options	Exercise price
July 4, 2023	33,334	$ 0.84
March 9, 2025	505,000	0.30
May 19, 2025	60,000	0.45
October 5, 2025	815,000	0.80
October 23, 2025	60,000	0.80
September 27, 2026	250,000	0.35
January 11, 2027	1,150,000	0.225
	2,873,334	**$ 0.44**

12. Warrants

The table below reflects the continuity of warrants for the year ended January 31, 2022 and six months ended July 31, 2022:

	Number of warrants	Allocated value
Balance, January 31, 2021	2,500,000	$ 604,200
Issued	4,165,264	285,786
Balance, January 31, 2022	6,665,264	$ 889,986
Expired	(2,500,000)	(604,200)
Balance, July 31, 2022	**4,165,264**	**$ 285,786**

The exercise price and expiry date of the warrants outstanding as at July 31, 2022 are:

Expiry Date	Type	Number	Exercise Price
May 25, 2023	Warrants	3,932,038	$ 0.40
May 25, 2023	Finder's warrants	233,226	0.225
		4,165,264	**$ 0.39**

(Unaudited and expressed in Canadian dollars)

13. Loss Per Common Share

The following table sets forth the computation of basic and diluted loss per share for the three and six months ended July 31, 2022 and 2021:

	Three months ended Jul. 31, 2022	Three months ended Jul. 31, 2021	Six months ended Jul. 31, 2022	Six months ended Jul. 31, 2021
Loss attributable to common shareholders	$ (486,988)	$ (753,669)	$ (899,105)	$ (1,902,604)
Weighted-average common shares outstanding - basic and diluted	34,987,899	27,123,823	34,987,899	27,123,823
Basic and diluted loss per common share	**$ (0.01)**	**$ (0.03)**	**$ (0.03)**	**$ (0.07)**

Diluted loss per share does not include the effect of share options and warrants outstanding if their effect is anti-dilutive.

14. Deferred Premium on Flow-through Shares

To the extent that the Company issues common shares to subscribers on a flow-through basis at a premium to the market value of non-flow-through common shares, any such premium is recorded as a liability on the Company's statement of financial position at the time of subscription. This liability is reduced, on a pro-rata basis, as the Company fulfills its expenditure renunciation obligation associated with such flow-through share issuances, with an offsetting amount recognized as income.

Balance, January 31, 2021	**$ -**
Flow-through financing premium	41,233
Premium recognized in loss from operations	(13,904)
Balance, January 31, 2022	**$ 27,328**
Premium recognized in loss from operations	(27,328)
Balance, July 31, 2022	**$ -**

As at July 31, 2022, the Company had no flow-through expenditure commitments remaining.

(Unaudited and expressed in Canadian dollars)

15. Related Party Transactions and Balances

(a) Director and executive management compensation

Directors and executive management's compensation for the three and six months ended July 31, 2022 and 2021 consisted of the following:

	Three months ended Jul. 31, 2022	Three months ended Jul. 31, 2021	Six months ended Jul. 31, 2022	Six months ended Jul. 31, 2021
Salary	$ 53,135	$ 37,594	$ 113,621	$ 77,522
Consulting fees	-	19,950	-	39,900
Employment benefits	3,645	2,594	7,253	5,167
	$ 56,780	**$ 60,138**	**$ 120,874**	**$ 122,589**

Directors and executive management did not receive any stock options during the six months ended July 31, 2022.

(b) Director and executive management transactions

The aggregate value of transactions and outstanding balances relating to entities over which directors and executive management have control or significant influence were as follows:

Account	Note	Transaction value 6 mo. ended Jul. 31, 2022	Transaction value 6 mo. ended Jul. 31, 2021	Balance outstanding as at Jul. 31, 2022	Balance outstanding as at Jul. 31, 2021
Management and administrative services	(i)	$ -	$ 37,500	$ -	$ -
Exploration expenditures	(ii)	-	2,400	-	-
		$ -	**$ 39,900**	**$ -**	**$ -**

(i) The Company paid consulting fees to Brian Michael Howlett & Associates Inc., a corporation controlled by Brian Howlett, the Company's CEO and a member of the Board of Directors. Effective February 1, 2022, Brian Howlett became an employee of the Company.
(ii) The Company paid geological consulting fees to Harvey Holdings Inc., a corporation controlled by John Harvey, a member of the Board of Directors.

16. Capital Risk Management

The Company's capital is composed of shareholders' equity. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

16. Capital Risk Management - continued

The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the period ended July 31, 2022. The Company is not subject to externally imposed capital requirements.

Financial risk factors

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

(a) Credit risk

The Company's credit risk is primarily attributable to accounts receivable which consist primarily of Harmonized Sales Tax receivable. The Company has no significant concentration of credit risk arising from operations. Management believes that the credit risk concentration with respect to financial instruments included in accounts receivable is remote.

(b) Liquidity risk

The Company is currently in the exploration stage and has not commenced commercial operations. As at the date of issue of these financial statements, the Company had an accumulated deficit of $41,829,752. As at July 31, 2022, the Company was not yet generating operating cash flows, but had working capital of $ 771,995 (January 31, 2022: $1,668,402). Within this amount, it had a cash balance of $ 851,205 (January 31, 2022: $1,643,634) to settle current liabilities of $166,242 (January 31, 2022: $113,576).

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to fund its liabilities as they become due. All of the Company's financial liabilities have contractual maturities of less than 60 days and are subject to normal trade terms. The Company may be required to obtain additional capital to continue its progress toward recovering the amount expended on its mineral properties, and although success in this regard is not assured, management is of the opinion that additional capital can be raised as required for the foreseeable future.

16. Capital Risk Management - continued

Financial risk factors - continued

(c) Market risk

(i) Interest rate risk

The Company has cash balances and no interest-bearing debt. Interest rate risk is remote.

(ii) Price risk

The Company is indirectly exposed to price risk with respect to the price of both precious and base metals. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company. Price risk is remote since the Company is not a producing entity. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

(d) Fair Value

The fair values of the Company's cash and cash equivalents, accounts receivable and accounts payable approximate their carrying values because of the short term-nature of these instruments.

(e) Sensitivity analysis

The Company is exposed to equity securities price risk because of the marketable securities held by the Company. The Company's marketable securities are not part of its core operations, and accordingly, gains and losses from these investments are not representative of the Company's performance. As at July 31, 2022, the impact of a 10% increase or decrease in the share prices of the marketable securities would have resulted in an increase or decrease of $ 874 that would have been included in net loss and comprehensive loss.

17. Subsequent Events

(a) On August 29, 2022, the Company executed the definitive agreement (the "Definitive Agreement") with a wholly-owned subsidiary of Barrick Gold Corporation ("Barrick") whereby Barrick will have the right to earn into 910 claims comprising 16,800 hectares for part of the Pic Project. The key terms being that:

1. Barrick may earn an 80% interest (the "Earn-In") in the Pic Project by delivering to the Company a Pre-Feasibility Study within six years (the "Expenditure Period") of the Definitive Agreement (of which at least $800,000 is the guaranteed expenditure in the first twelve months, subject to certain conditions);
2. In order to maintain the Earn-In right from the date of the first anniversary of the Definitive Agreement to the end of the Expenditure Period, Barrick must fund work expenditures of $1,000,000 on or before each anniversary of the Definitive Agreement;
3. Barrick will have the option to extend the Expenditure Period by two additional one-year periods by paying to the Company an amount of $500,000 for each one-year extension;
4. Subject to a successful Earn-In by Barrick, the Company and Barrick shall establish a joint-venture corporation (the "JV Corp."), to be held on the basis of 20% as to the Company and 80% as to Barrick;
5. If either party's interest in the JV Corp. declines below a 10% threshold, then that party's interest shall, as applicable, convert to a 1% NSR royalty.

(b) On August 31, 2022, the Company closed a non-brokered private placement with a wholly-owned subsidiary of Barrick Gold Corporation. The Company issued 1,841,468 common shares priced at $0.1052 per common share for gross proceeds of $193,722.43. All securities issued in connection with the private placement are subject to a statutory hold period expiring January 1, 2023.

(c) On September 28, 2022, the Company announced the execution of an Exploration Agreement (the "Agreement") with Biigtigong Nishnaabeg ("Biigtigong") which covers exploration on Project Idaho and the Pic Project. The Agreement allows for the Company to move forward expeditiously with its exploration plans. The Company also transferred the mining claims known as Hemlo West to N'hinmaagewin Ltd., a company owned by Biigtigong. Biigtigong plans to work diligently to make this claim area part of its reserve lands for the use of their traditional activities. Until the legal change occurs, the Company will maintain a 5% net smelter returns royalty on the claims.