SPEARMINT RESOURCES INC.

CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

January 31, 2021 and 2020

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Spearmint Resources Inc.

Opinion

We have audited the accompanying consolidated financial statements of Spearmint Resources Inc. (the "Company"), which comprise the consolidated statements of financial position as at January 31, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2021 and 2020, 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 Auditor's 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 audit 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.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 audit of the consolidated financial statements, our responsibility is to read the other information 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 auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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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.

Auditor's 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 auditor's 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 auditor's 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 auditor's 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 auditor's report is Glenn Parchomchuk.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

May 28, 2021

SPEARMINT RESOURCES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

ASSETS	January 31, 2021	January 31, 2020
Current assets		
Cash and cash equivalents – Note 4	$ 1,962,170	$ 151,553
Receivables	3,961	1,868
Prepaid expenses	4,849	-
Total current assets	1,970,980	153,421
Non-current assets		
Security deposits – Note 5	12,667	11,729
Exploration and evaluation assets – Note 5	1,998,127	1,547,408
Total assets	$ 3,981,774	$ 1,712,558
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities – Notes 6 and 12	$ 270,309	$ 500,812
Flow-through share premium liability – Note 7	9,204	-
Total current liabilities	279,513	500,812
SHAREHOLDERS' EQUITY		
Share capital – Note 8	7,669,335	4,490,214
Reserves – Note 8	942,496	851,814
Accumulated deficit	(4,909,570)	(4,130,282)
Total shareholders' equity	3,702,261	1,211,746
Total liabilities and shareholders' equity	$ 3,981,774	$ 1,712,558

Nature and Continuance of Operations – Note 1
Subsequent Events – Note 16

APPROVED BY THE DIRECTORS:

"James Nelson"	Director	*"Dennis Aalderink"*	Director
James Nelson		Dennis Aalderink	

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

SPEARMINT RESOURCES INC.

CONSOLIDATED STATEMENTS OF LOSS & COMPREHENSIVE LOSS

(Expressed in Canadian Dollars)

	Years ended January 31, 2021	2020
Operating expenses		
Consulting fees	$ 36,000	$ 36,000
Corporate branding	241,355	-
Directors' fees – Note 12	7,500	7,500
Investor relations	11,777	7,500
Office and miscellaneous	53,440	34,729
Professional fees – Note 12	55,456	51,073
Share-based payments – Notes 8 and 12	148,849	205,043
Shareholder information	39,195	15,729
Transfer agent and filing fees	24,946	17,324
	(618,518)	(374,898)
Interest income	203	486
Interest expense	-	(6)
Gain on settlement of accounts payable	569	-
Loss on sale of exploration and evaluation assets – Note 5	(170,124)	-
Other income on settlement of flow-through share premium – Note 7	8,582	23,536
Write-down of exploration and evaluation assets – Note 5	-	(228,149)
	(160,770)	(204,133)
Net loss and comprehensive loss for the year	$ (779,288)	$ (579,031)
Loss per share - basic and diluted - Note 9	$ (0.00)	$ (0.00)
Weighted average number of shares outstanding - basic and diluted - Note 9	178,256,030	148,352,011

SPEARMINT RESOURCES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)

	Years ended January 31, 2021	2020
Operating Activities		
Loss for the year	$ (779,288)	$ (579,031)
Adjustments for non-cash items:		
Gain on settlement of accounts payable	(569)	-
Other income on settlement of flow-through share premium liability	(8,582)	(23,536)
Realized loss on sale of exploration and evaluation assets	170,124	-
Share-based payments	148,849	205,043
Write-down of exploration and evaluation assets	-	228,149
Changes in non-cash working capital items:		
Receivables	(2,093)	5,361
Prepaid expenses	(4,849)	135
Accounts payable and accrued liabilities	(257,448)	49,682
Cash used in operating activities	(733,856)	(114,197)
Investing Activities		
Proceeds from sale of exploration and evaluation assets	25,000	-
Exploration and evaluation assets	(488,329)	(136,684)
Security deposits	(938)	(631)
Cash used in investing activities	(464,267)	(137,315)
Financing Activities		
Proceeds from issuance of share capital	3,045,867	174,000
Share issue costs	(37,127)	(1,924)
Cash provided by financing activities	3,008,740	172,076
Change in cash and cash equivalents during the year	1,810,617	(79,436)
Cash and cash equivalents, beginning of the year	151,553	230,989
Cash and cash equivalents, end of the year	$ 1,962,170	$ 151,553

Supplemental Disclosure with Respect to Cash Flows (Note 15)

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

SPEARMINT RESOURCES INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	No. of shares	Amounts	Reserves	Accumulated deficit	Total
Balance, January 31, 2019	147,795,847	$ 4,318,138	$ 646,771	$ (3,551,251)	$ 1,413,658
Shares issued for private placement	14,500,000	174,000	-	-	174,000
Share issue costs	-	(1,924)	-	-	(1,924)
Stock options issued	-	-	205,043	-	205,043
Loss for the year	-	-	-	(579,031)	(579,031)
Balance, January 31, 2020	162,295,847	4,490,214	851,814	(4,130,282)	1,211,746
Shares issued for private placement	22,733,474	699,790	-	-	699,790
Share issue costs	-	(37,127)	-	-	(37,127)
Broker warrants issued for private placement	-	(70,972)	70,972	-	-
Share purchase warrants exercised	31,421,531	2,029,054	(7,977)	-	2,021,077
Stock options exercised	6,500,000	325,000	-	-	325,000
Transfer of reserve on options exercised	-	121,162	(121,162)	-	-
For exploration and evaluation assets	2,000,000	130,000	-	-	130,000
Stock options issued	-	-	148,849	-	148,849
Flow-through share premium liability	-	(17,786)	-	-	(17,786)
Loss for the year	-	-	-	(779,288)	(779,288)
Balance, January 31, 2021	224,950,852	$ 7,669,335	$ 942,496	$ (4,909,570)	$ 3,702,261

1. NATURE AND CONTINUANCE OF OPERATIONS

Spearmint Resources Inc. (the "Company") was incorporated under the Business Corporations Act of British Columbia, Canada on September 23, 2009. The Company is an exploration stage public company and is listed on the Canadian Securities Exchange (the "CSE") under the symbol "SPMT". The Company's principal business activities include acquiring and exploring exploration and evaluation assets. At January 31, 2021, the Company had exploration and evaluation assets located in Canada and the United States.

The Company's head office and principal business address is located at 2905 – 700 West Georgia Street, Vancouver, British Columbia, V7Y 1K8. The Company's registered and records office is located at 900 – 885 West Georgia Street, Vancouver, British Columbia, V6C 3H1.

These consolidated financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business. At January 31, 2021, the Company had not yet achieved profitable operations, incurred a net loss of $779,288 during the year ended January 31, 2021 and has an accumulated deficit of $4,909,570 since its inception. The Company expects to incur further losses in the development of its business. The Company estimates it has sufficient capital for the next 12 months or longer.

In March 2020 the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future. Accordingly, these consolidated financial statements do not give effect to adjustments, if any, that would be necessary should the Company be unable to continue as a going concern. If the going concern assumption was not used, then the adjustments required to report the Company's assets and liabilities on a liquidation basis could be material to these consolidated financial statements.

2. BASIS OF PREPARATION

a) Statement of Compliance

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

These consolidated financial statements were authorized for issue by the Board of Directors on May 28, 2021.

2. BASIS OF PREPARATION (continued)

b) Basis of Measurement

These consolidated financial statements have been prepared on an accrual basis and are based on historical costs, except for certain financial instruments measured at fair value.

These consolidated financial statements are presented in Canadian dollars, which is also the Company's and its subsidiaries' functional currency.

The preparation of these consolidated financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the period. Actual results could differ from these estimates.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout these consolidated financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

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

- Whether or not an impairment has occurred in its exploration and evaluation assets;
- The inputs used in the accounting for share-based payments expense; and
- The inputs used in the accounting for finders' warrants and compensation options in share capital and equity reserves.

Judgments

The preparation of these consolidated financial statements requires management to make judgements regarding the going concern of the Company, as discussed in Note 1.

c) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

(Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (continued)

d) Subsidiaries

Subsidiaries are entities controlled by the Company. Control exists when the Company has power over an investee, when the Company is exposed, or has rights, to variable returns from the investee and when the Company has the ability to affect those returns through its power over the investee. Subsidiaries are included in the consolidated financial results of the Company from the effective date of acquisition up to the effective date of disposition or loss of control. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Company.

The principal subsidiaries of the Company as of January 31, 2021 are as follows:

Name of subsidiary	Place of Incorporation	Ownership Interest January 31, 2021	Ownership Interest January 31, 2020
1177905 B.C. Ltd.	Canada	100%	100%
Mathers Lithium Corp.	U.S.A.	100%	100%

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

a) Financial instruments

Classification

The Company determines the classification of its financial instruments at initial recognition. Upon initial recognition, a financial asset is classified as measured at: amortized cost, fair value through profit and loss (“FVTPL”), or fair value through other comprehensive income ("FVOCI"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial liability is classified as measured at amortized cost or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

An equity investment that is held for trading is measured at FVTPL. For other equity instruments that are held for trading, the Company may irrevocably elect to designate them as FVOCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has elected to measure them at FVTPL.

Under IFRS 9, the Company classifies its financial instruments as follows:

Cash and cash equivalents	FVTPL
Receivables	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Measurement

Initial measurement

On initial recognition, all financial assets and financial liabilities are measured at fair value adjusted for directly attributable transaction costs except for financial assets and liabilities classified as FVTPL, in which case the transaction costs are expensed as incurred.

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial instruments:

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

a) Financial instruments (continued)

Financial assets at amortized cost
These assets are subsequently measured at amortized costs using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Equity investments at FVOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in other comprehensive income ("OCI") and are never reclassified to profit or loss.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income is calculated using the effective interest rate method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Impairment of financial instruments

The Company assesses at each reporting date whether there is an objective evidence that a financial asset or a group of financial assets is impaired.

For financial assets measured at amortized cost, and debt investments at FVOCI, the Company applies the expected credit loss impairment model. On adoption of the expected credit loss model there was no material adjustment.

An expected credit loss impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Exploration and evaluation assets

Pre-exploration costs

Costs incurred prior to acquiring the right to explore an area of interest are expensed as incurred.

Exploration and evaluation expenditures

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, and payments made to contractors during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed as incurred.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to the statement of loss and comprehensive loss.

The Company assesses exploration and evaluation assets for impairment when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

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”. Exploration and evaluation assets are also tested for impairment before the assets are transferred to development properties.

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.

c) Impairment of tangible and intangible assets

Tangible and intangible assets with finite useful lives are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the assets’ cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

An impairment loss is charged to profit or loss except to the extent it reverses gains previously recognized in other comprehensive loss/income. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior periods. A reversal of an impairment loss is recognized in profit or loss.

d) Rehabilitation provision

The Company is subject to various government laws and regulations relating to environmental disturbances caused by exploration and evaluation activities. The Company records the present value of the estimated costs of legal and constructive obligations required to restore the exploration sites in the period in which the obligation is incurred. The nature of the rehabilitation activities includes restoration, reclamation and re-vegetation of the affected exploration sites.

The rehabilitation provision generally arises when the environmental disturbance is subject to government laws and regulations. When the liability is recognized, the present value of the estimated costs is capitalized by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the changes in present value based on current market discount rates and liability specific risks.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the period in which they occur.

The Company does not have any significant rehabilitation obligations.

e) Income taxes

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Current income tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Income taxes (continued)

date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

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. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

f) Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability; and ii) share capital.

Upon expenses being renounced and incurred, the Company derecognizes the liability and the premium is recognized as other income.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

g) Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment, using the Black-Scholes option pricing model.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Valuation of equity units issued in private placements

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the most easily measured component based on fair value and then the residual value, if any, to the less easily measurable component.

The fair value of the common shares issued in a private placement was determined to be the more easily measurable component and were valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as a warrant reserve.

i) Investment tax credit

Investment tax credits are recorded as either a reduction of the cost of applicable assets or credited in the statement of loss and comprehensive loss depending on the nature of the expenditures which gave rise to the credits. Claims for tax credits are accrued upon the Company attaining reasonable assurance of collections from the Canada Revenue Agency.

j) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the net income or loss attributable to the common shareholders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings (loss) per share is calculated by dividing the net income or loss applicable to common shares by the sum of the weighted average number of common shares issued and outstanding and all additional common shares that would have been outstanding if potentially dilutive instruments were converted.

4. CASH AND CASH EQUIVALENTS

The Company's cash and cash equivalents are denominated in Canadian Dollars and include the following components:

	January 31, 2021	January 31, 2020
Cash at bank	$ 1,927,670	$ 151,553
Short-term deposits	34,500	-
	$ 1,962,170	$ 151,553

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	BC EL N. Nickel-Copper Prospects	BC Nickle N. Property	BC NEBA Copper Gold Prospects	BC Safari Copper Gold Property	BC Hammernose Gold Property	BC Henry Gold Copper Prospects	BC Gold Mountain Property	BC Gold Triangle Prospects	ON River Valley E. Platinum Palladium Prospect	QC Chibougamau Vanadium Prospects	QC Perron E.Gold Prospect	Nevada Elon and McGee Lithium Properties	Total
Balance, January 31, 2019	$ 20,256	$ 180,000	$ 203,148	$ 6,381	$ 3,640	$ 3,481	$ 5,963	$ 203,483	$ -	$ 94,617	$ -	$ 921,245	$1,642,214
Acquisition costs													
Staking costs	746	-	-	-	546	-	-	3,527	4,850	457	1,372	-	11,498
Deferred exploration expenditures													
Assay	-	-	-	631	542	-	-	-	-	-	-	-	1,173
Claim maintenance fees	-	-	-	-	-	-	-	-	-	3,850	-	13,749	17,599
Field supplies & equipment	-	-	-	-	105	-	-	-	-	-	-	-	105
Geological consulting	-	-	-	640	-	-	-	-	-	10,311	-	-	10,951
Geological report	-	-	-	5,009	1,250	-	-	-	-	2,855	-	-	9,114
Sampling	-	-	24,576	16,890	5,000	-	-	32,160	-	-	-	-	78,626
Travel	-	-	-	1,200	3,037	-	-	-	-	40	-	-	4,277
Write-down of E&E assets	(17,455)	(180,000)	(651)	-	-	(3,481)	(5,963)	(5,120)	-	(15,479)	-	-	(228,149)
Balance, January 31, 2020	$ 3,547	$ -	$ 227,073	$ 30,751	$ 14,120	$ -	$ -	$ 234,050	$ 4,850	$ 96,651	$ 1,372	$ 934,994	$1,547,408

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS

	BC EL N. Nickel-Copper Prospects	BC NEBA Copper Gold Prospects	BC Safari Copper Gold Property	BC Hammernose Gold Property	BC Gold Triangle Prospects	NL Goose Gold Property	On Carscallen W Gold Project	ON Case Lake South Cesium Prospect	ON Escape Lake North PGM Prospect	ON River Valley E. Platinum Palladium Prospect	QC Chibougamau Vanadium Prospects	QC Perron E.Gold Prospect	Nevada Elon and McGee Lithium Properties	Total
Balance, January 31, 2020	$ 3,547	$ 227,073	$ 30,751	$ 14,120	$ 234,050	$ -	$ -	$ -	$ -	$ 4,850	$ 96,651	$ 1,372	$ 934,994	$1,547,408
Acquisition costs														
Staking costs	-	-	-	1,966	-	-	2,450	7,050	3,950	-	-	4,543	-	19,959
Share issuance	-	-	-	-	-	130,000	-	-	-	-	-	-	-	130,000
Proceeds from sale	-	(25,000)	-	-	-	-	-	-	-	-	-	-	-	(25,000)
Deferred exploration expenditures														
Assay	-	-	-	2,932	-	-	-	-	-	-	-	-	17,246	20,178
Claim maintenance fees	-	-	-	-	-	-	-	-	-	-	-	-	13,618	13,618
Drilling	-	-	-	-	-	-	-	-	-	-	-	-	236,490	236,490
Geological consulting	-	-	-	2,250	-	9,100	-	-	-	-	-	-	40,444	51,794
Reclamation	-	-	-	-	-	-	-	-	-	-	-	-	6,551	6,551
Sampling	-	-	-	10,944	-	7,728	-	-	-	-	-	-	-	18,672
Survey	-	-	-	-	-	-	-	-	-	-	-	107,023	-	107,023
Travel	-	-	-	8,035	-	3,150	-	-	-	-	-	12,890	17,483	41,558
Loss on sale of exploration and evaluation assets	-	(170,124)	-	-	-	-	-	-	-	-	-	-	-	(170,124)
Balance, January 31, 2021	$ 3,547	$ 31,949	$ 30,751	$ 40,247	$ 234,050	$ 149,978	$ 2,450	$ 7,050	$ 3,950	$ 4,850	$ 96,651	$ 125,828	$ 1,266,826	$1,998,127

5. EXPLORATION AND EVALUATION ASSETS (continued)

BC EL North Nickel-Copper Prospects - Staking

In September 2017, the Company acquired a 100% interest in certain mineral claims (the "EL North and EL North 2 Nickel-Copper Prospects") located in the Golden Triangle of British Columbia for staking costs of $2,892. During the year ended January 31, 2020, the Company decided to drop these claims. Accordingly, previous acquisition costs of $2,892 and exploration costs of $14,563 were written off.

In March and September 2019, the Company acquired a 100% interest in certain mineral claims (the "EL North 3 Nickel-Copper Prospects" and the "EL North 1 Nickel-Copper Prospects") located in the Golden Triangle Gold District of British Columbia for staking costs of $280 and $466, respectively.

As at January 31, 2021, the Company had incurred a total of $2,801 in exploration costs on this property.

BC NEBA Copper-Gold Prospects - Staking and Purchase Agreement

In September 2017, the Company acquired a 100% interest in certain mineral claims (the "NEBA Copper-Gold Prospect") located in the Golden Triangle Gold District of British Columbia for staking costs of $2,162.

In August 2018, the Company acquired a 100% interest in certain mineral claims located in the Golden Triangle Gold District in British Columbia for staking costs of $651. During the year ended January 31, 2020, the Company decided to drop these claims. Accordingly, previous staking costs of $651 were written off.

On October 5, 2018, the Company entered into a share purchase agreement (the "SPA") with two arm's length vendors (the "Vendors") to purchase 100% of the issued and outstanding shares of 1177905 B.C. Ltd., which holds a 100% interest in certain mineral claims in B.C. (the "NEBA Copper-Gold Prospects", the "Nickle N. Property", and the "Gold Triangle Prospects"). The acquisition has been accounted for as an asset acquisition. In consideration, the Company issued 18,000,000 shares (issued at a value of $540,000) to the Vendors pursuant to the SPA. 1177905 B.C. Ltd. became a wholly owned subsidiary of the Company. The acquisition costs had been split evenly between these properties.

On September 14, 2020, the Company entered into a letter agreement with Enduro Metals Corporation, an arm's length party, to sell certain mineral claims of its NEBA Prospects to Enduro Metals for $25,000. The Company recognized a realized loss of $170,124 during the year ended January 31, 2021.

As at January 31, 2021, the Company had incurred a total of $30,249 in exploration costs on the remaining claims of this property.

5. EXPLORATION AND EVALUATION ASSETS (continued)

BC Safari Copper-Gold Property - Staking

In October 2018, the Company acquired a 100% interest in certain mineral claims located in the northern Quesnel Trough in north-central British Columbia for staking costs of $6,381.

As at January 31, 2021, the Company had incurred a total of $24,370 in exploration costs on this property.

BC Hammernose Gold Property - Staking

In October 2018, the Company acquired a 100% interest in certain mineral claims in the Spences Bridge gold belt located in southern British Columbia for staking costs of $3,640.

In July 2019, the Company acquired a 100% interest in certain mineral claims to increase the size of the Hammernose Gold Property for staking costs of $546.

In July 2020, the Company acquired a 100% interest in certain mineral claims to increase the size of the Hammernose Gold Property for staking costs of $1,966.

As at January 31, 2021, the Company had incurred a total of $34,095 in exploration costs on this property.

BC Gold Triangle Prospects - Staking and Purchase Agreement

In July 2017, the Company acquired a 100% interest in certain mineral claims (the “Gold Triangle Prospects”) located in the Golden Triangle Gold District in British Columbia for staking costs of $2,900.

Under the SPA, the Company indirectly acquired a 100% interest in certain mineral claims in British Columbia.

In July 2019, the Company acquired a 100% interest in certain mineral claims (the “Prickle Claims”) located in the Golden Triangle Gold District of British Columbia for staking costs of $3,527.

During the year ended January 31, 2020, the Company decided to drop certain mineral claims. Accordingly, previous acquisition costs of $632 and exploration costs of $4,488 associated with these claims were written off.

As at January 31, 2021, the Company had incurred a total of $48,255 in exploration costs on this property.

ON Carscallen West Gold Project - Staking

In May 2020, the Company acquired a 100% interest in certain mineral claims (the “Carscallen West Gold Project”) located in the Abitibi Greenstone belt in Ontario for staking costs of $2,450

5. EXPLORATION AND EVALUATION ASSETS (continued)

ON Case Lake South Cesium Prospect - Staking

During the year ended January 31, 2021, the Company acquired a 100% interest in certain mineral claims (the "Case Lake South Cesium Prospect") located in the Larder Lake Mining Division in Northeast Ontario for staking costs of $7,050.

ON Escape Lake North PGM Project - Staking

In May 2020, the Company acquired a 100% interest in certain mineral claims (the "Escape Lake North PGM Project") located north of Thunder Bay, Ontario, for staking costs of $3,950.

ON River Valley East Platinum-Palladium Prospect - Staking

In January 2020, the Company acquired a 100% interest in certain mineral claims (the "River Valley E. Platinum-Palladium Prospect"), all located in northern Ontario for staking costs of $4,850.

NL Goose Gold Property - Purchase Agreement

On August 10, 2020, the Company entered into a purchase agreement with arm's length vendors to acquire a 100% interest in certain mineral claims (the "Goose Gold Project") located in Newfoundland, Canada. In consideration, the Company issued 2,000,000 shares (issued at a value of $130,000) to the vendors. The vendors will retain a 2.5% NSR Royalty on this property. The Company will have the right to purchase 0.25% of the royalty for $250,000 any time prior to the commencement of commercial production.

As at January 31, 2021, the Company had incurred a total of $19,978 in exploration costs on this property.

QC Chibougamau Vanadium Prospects - Staking

In June 2017, the Company acquired a 100% interest in certain mineral claims (the "Chibougamau Vanadium Prospects"), all located in the direct vicinity of Lac Chibougamau, Quebec for staking costs of $4,550. In December 2018 and January 2019, the Company acquired a 100% interest in certain mineral claims to increase the holdings in its Chibougamau Vanadium Prospects for aggregate staking costs of $3,031. In February 2019, the Company acquired a 100% interest in certain mineral claims to increase the acreage in the Chibougamau Vanadium district in Quebec for staking costs of $457.

During the year ended January 31, 2020, the Company decided not to continue with certain mineral claims and allowed them to lapse when they became due. Accordingly, prior acquisition costs of $769 and exploration costs of $14,710 associated with these claims had been written off during the period.

As at January 31, 2021, the Company had incurred a total of $89,382 in exploration costs on this property.

5. EXPLORATION AND EVALUATION ASSETS (continued)

QC Perron-East Gold Prospects - Staking

In September 2019, the Company acquired a 100% interest in certain mineral claims (the "Perron-East Gold Prospects"), all located in the Abitibi greenstone belt of northwestern Quebec for staking costs of $1,372.

In February and June 2020, the Company acquired a 100% interest in certain mineral claims in Quebec to increase the holdings in its Perron East Gold Prospects for staking costs of $4,543.

As at January 31, 2021, the Company had incurred a total of $119,913 in exploration costs on this property.

Nevada Elon and McGee Properties - Purchase Agreement

On July 12, 2016, the Company entered into a share purchase agreement (the "Agreement") with five arm's length vendors (the "Vendors") to purchase 100% of the issued and outstanding common shares of 1074942 B.C. Ltd., which through its wholly-owned subsidiary Mathers Lithium Corp. (a Nevada corporation) holds a 100% interest in certain lithium mineral claims (the "Elon claims" and the "McGee claims") in Nevada. The acquisition has been accounted for as an asset acquisition. In consideration for the net assets acquired, the Company issued 12,700,000 common shares at a value of $444,500 to the Vendors pursuant to the Agreement. The Company issued 912,000 common shares at a value of $31,920 as a finder's fee and paid $20,000 for land acquisition and $3,903 in filing fees in connection with this transaction. The above acquisition costs were allocated to the Elon Property and the McGee Property proportionately, being $175,113 and $325,210, respectively.

On June 14, 2017, the Company assumed an additional US$30,000 payment owed to the vendors for the McGee claims as follows: US$10,000 by September 1, 2017 (paid) and US$20,000 by December 31, 2017 (paid). The vendors retain an NSR of 3.75% on the McGee claims.

During the years ended January 31, 2018 and 2020, the Company provided a security deposit of $11,098 and $631, respectively, in relation to its McGee Properties. During the year ended January 31, 2021, the Company provided additional security deposit of $938 in relation to its McGee Properties.

As at January 31, 2021, the Company had incurred a total of $16,952 in claim maintenance fees on the Elon Property and $710,613 in exploration costs on the McGee Property, respectively.

BC Nickel N. Property - Purchase Agreement

Under the SPA, the Company indirectly acquired a 100% interest in certain mineral claims in British Columbia. During the year ended January 31, 2020, the Company decided to drop this property. Accordingly, previous acquisition costs of $180,000 were written off.

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS (continued)

BC Henry Gold-Copper Prospect - Staking

In August 2018, the Company acquired a 100% interest in certain mineral claims located in the Golden Triangle Gold District in British Columbia for staking costs of $3,481.

During the year ended January 31, 2020, the Company decided to drop this property. Accordingly, previous staking costs of $3,481 were written off.

BC Gold Mountain Property - Staking

In April 2017, the Company acquired a 100% interest in certain mineral claims (the "BC Gold Mountain Claims") near the town of Wells, British Columbia for staking costs of $1,382.

During the year ended January 31, 2020, the Company decided to drop this property. Accordingly, previous staking costs of $1,382 and exploration costs of $4,581 were written off.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities recognized in the statements of financial position consist of the following:

		January 31, 2021		January 31, 2020
Trade payables	$	250,809	$	481,512
Accrued liabilities		19,500		19,300
Total payables	$	270,309	$	500,812

All amounts are short-term. The carrying value of trade payables and accrued liabilities is considered a reasonable approximation of fair value due to the short-term nature of these instruments.

7. FLOW-THROUGH SHARE PREMIUM LIABILITY

Balance at January 31, 2019	$	23,536
Liability derecognized due to exploration expenditures renounced to shareholders		(23,536)
Balance at January 31, 2020		-
Liability incurred on flow-through shares issued		17,786
Liability derecognized due to exploration expenditures renounced to shareholders		(8,582)
Balance at January 31, 2021	$	9,204

During the year ended January 31, 2020, the Company renounced and incurred the exploration expenditures. Accordingly, the Company derecognized the flow-through share premium liability of $23,536 and recognized it as other income.

7. FLOW-THROUGH SHARE PREMIUM LIABILITY (continued)

In July 2020, the Company issued 3,557,142 flow-through units (the "FT Units") at $0.035 per unit for gross proceeds of $124,500. Each FT Unit consisted of one flow-through common share and one share purchase warrant. The premium received on the flow-through shares issued was determined to be $17,786 and was recorded as a share capital reduction. An equivalent premium liability was also recorded.

During the year ended January 31, 2021, the Company renounced and incurred the exploration expenditures. Accordingly, the Company derecognized the flow-through share premium liability of $8,582 and recognized it as other income.

8. SHARE CAPITAL AND RESERVES

Authorized: Unlimited common shares, without par value

Issued and outstanding as at January 31, 2021 – 224,950,852 (January 31, 2020: 162,295,847)

Private placement

Year ended January 31, 2021:

In July 2020, the Company closed a non-brokered private placement consisting of 3,557,142 flow-through units (the “FT Units”) at $0.035 per FT Unit and 19,176,332 non flow-through units (the “NFT Units”) at $0.03 per NFT Unit for gross proceeds of $699,790. Each FT Unit consisted of one flow-through common share and one share purchase warrant which entitles the holder to purchase one additional non flow-through common share of the Company at a price of $0.05 per share until July 29, 2025. Each NFT Unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the Company at a price of $0.05 per share until July 29, 2025. The Company incurred filing and legal fees totalling $3,384, finders' fees of $33,743, and issued 918,106 broker warrants in connection with this private placement. Each broker warrant is exercisable at $0.05 per share until July 29, 2025. The broker warrants were valued at $70,972 using the Black-Scholes pricing model with the following assumptions: dividend yield 0%, expected volatility 180.8%, risk-free interest rate 0.32% and an expected life of five years.

Year ended January 31, 2020:

In January 2020, the Company closed a non-brokered private placement consisting of 7,000,000 flow-through units (the “FT Units”) and 7,500,000 non flow-through units (the “NFT Units”) all at $0.012 per share for gross proceeds of $174,000. Each FT Unit consisted of one flow-through common share and one share purchase warrant which entitles the holder to purchase one additional non flow-through common share of the Company at a price of $0.05 per share until January 17, 2025. Each NFT Unit consisted of one common share and one share purchase warrant which entitles the holder to purchase one additional common share of the Company at a price of $0.05 per share until January 17, 2025. The Company incurred filing and legal fees totalling $1,924 in connection with the financing.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (continued)

Share purchase warrants

The following is a summary of changes in share purchase warrants from January 31, 2019 to January 31, 2021:

	Number of Warrants	Weighted Average Exercise Price
Balance, January 31, 2019	21,967,753	$0.08
Issued	14,500,000	$0.05
Expired	(4,567,753)	$0.10
Balance, January 31, 2020	31,900,000	$0.06
Issued	23,651,580	$0.05
Exercised	(31,421,531)	$0.06
Balance, January 31, 2021	24,130,049	$0.05

As of January 31, 2021, the Company had 24,130,049 share purchase warrants outstanding. Each warrant entitles the holder the right to purchase one common share as follows:

Number	Exercise Price	Expiry Date
2,200,000	$0.05	September 21, 2021
4,000,000	$0.05	January 17, 2025
17,930,049	$0.05	July 29, 2025
24,130,049		

Share-based payments

The Company has a stock option plan whereby the maximum number of shares reserved for issue under the plan shall not exceed 10% of the outstanding common shares of the Company, as at the date of grant. The exercise price of each option granted under the plan may not be less than the market price of the Company's stock as calculated on the date of grant less the applicable discount, subject to a minimum exercise price of $0.05. Options may be granted for a maximum term of five years and vesting periods are determined by the Board of Directors. Pursuant to the regulations of the CSE, stock options may be granted outside of the stock option plan.

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (continued)

Share-based payments (continued)

The following is a summary of changes in share purchase options from January 31, 2019 to January 31, 2021:

	Number of Options	Weighted Average Exercise Price
Balance, January 31, 2019	12,100,000	$0.07
Granted	11,000,000	$0.05
Expired	(9,750,000)	$0.08
Forfeited	(300,000)	$0.05
Balance, January 31, 2020	13,050,000	$0.05
Granted	5,000,000	$0.06
Exercised	(6,500,000)	$0.05
Expired	(4,500,000)	$0.05
Balance, January 31, 2021	7,050,000	$0.06

As of January 31, 2021, 7,050,000 share purchase options were outstanding entitling the holders thereof the right to purchase one common share of the Company for each option held as follows:

Number Outstanding and Exercisable	Exercise Price	Expiry Date	
3,000,000	$0.05	May 15, 2021	(Note 16)
1,400,000	$0.05	May 24, 2021	(Note 16)
400,000	$0.05	May 30, 2021	(Note 16)
2,000,000	$0.085	September 4, 2021	
250,000	$0.05	March 13, 2022	
7,050,000			

During the year ended January 31, 2021, 6,500,000 stock options were exercised at a price of $0.05 per share for total proceeds of $325,000. The previously recognized share-based payment expense relating to these stock options were reclassified from share-based payment reserve to share capital in the amount of $121,162. During the year ended January 31, 2020, Nil stock options had been exercised.

During the year ended January 31, 2021, the Company granted 5,000,000 stock options with exercise prices ranging from $0.05 to $0.085 per share and expiry dates ranging from May 15, 2021 to September 4, 2021 (year ended January 31, 2020: 11,000,000 stock options were granted with an exercise price of $0.05 per share and an expiry date of January 20, 2021). The weighted average fair value of the options issued in the year ended January 31, 2021 was estimated at $0.03 per option (year ended January 31, 2020: $0.02) at the grant date using the Black-Scholes option pricing model with the following assumptions:

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (continued)

Share-based payments (continued)

	Years ended January 31, 2021	2020
Weighted average expected dividend yield	0.00%	0.00%
Weighted average expected volatility*	214.89%	207.16%
Weighted average risk-free interest rate	0.28%	2%
Weighted average expected term	1 year	1 year

* Expected volatility has been based on historical volatility of the Company's publicly traded shares.

Total expenses arising from share-based payment transactions recognized during the year ended January 31, 2021 was $148,849 (year ended January 31, 2020: $205,043).

9. LOSS PER SHARE

The calculation of basic and diluted loss per share was based on the following data:

	Years ended January 31, 2021	2020
Net loss	$ 779,288	$ 579,031
Weighted average number of common shares for the purpose of basic and diluted loss per share	178,256,030	148,352,011

Basic loss per share is computed by dividing loss by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution of common share equivalents, such as stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive. All of the stock options and share purchase warrants currently issued (see Note 8) were anti-dilutive for the year ended January 31, 2021 and 2020.

Basic and diluted loss per share for the year ended January 31, 2021 was $(0.00) (year ended January 31, 2020: $(0.00)).

10. FINANCIAL INSTRUMENTS AND RISK

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 or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

10. FINANCIAL INSTRUMENTS AND RISK (continued)

The fair value of the Company's receivables, and accounts payable and accrued liabilities approximates their carrying values due to the short term nature of the financial instruments. The Company's cash and cash equivalents are measured at fair value using Level 1 inputs.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in foreign exchange rates. As at January 31, 2021, the Company has a minimal exposure to the US$ that is subject to fluctuations as a result of exchange rate variations to the extent that transactions are made in this currency. The Company considers this risk to be insignificant and therefore does not hedge its foreign exchange risk.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents, and receivables are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness. As at January 31, 2021, the Company is not exposed to any significant credit risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at January 31, 2021, the Company is not exposed to any significant interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of transactions on the due date. The Company addresses its liquidity through equity financing obtained through the sale of common shares and the exercise of warrants and options. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

Price Risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors the commodity prices of precious metals and the stock market to determine the appropriate course of action to be taken by the Company.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected by foreign exchange risk, credit risk, interest rate risk and price risk.

(Expressed in Canadian Dollars)

11. CAPITAL DISCLOSURE

Capital is comprised of the Company's shareholders' equity. As at January 31, 2021, the Company's shareholders' equity was $3,702,261 (January 31, 2020: $1,211,746) and it had current liabilities of $282,358 (January 31, 2020: $500,812). The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its exploration and evaluation assets and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt and acquire or dispose of assets. As at January 31, 2021, the Company has not entered into any debt financing with any financial institution.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resource markets and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. The Company is not subject to any externally imposed capital requirements. There has been no change in the Company's approach to capital management during the year ended January 31, 2021.

12. RELATED PARTY TRANSACTIONS

Key management personnel compensation

Key management of the Company are directors and officers of the Company and their remuneration includes the following:

	Years ended January 31, 2021	2020
Directors' fees	$ 7,500	$ 7,500
Professional fees	30,000	30,000
Share-based payments*	141,738	195,723
	$ 179,238	$ 233,223

*Share-based payments are the fair value of options granted to key management personnel as at the grant date.

Related party balances

At January 31, 2021, accounts payable and accrued liabilities include $19,428 (January 31, 2020: $27,978) payable to three directors and a former director of the Company, and a public company with common directors for unpaid fees. These amounts are unsecured, non-interest bearing and payable on demand.

(Expressed in Canadian Dollars)

13. SEGMENTAL REPORTING

The Company operates in one business segment, being the acquisition and exploration of mineral properties. The Company's exploration and evaluation assets are distributed by geographic locations as below:

		January 31, 2021		January 31, 2020
Canada	$	731,301	$	612,414
U.S.A.		1,266,826		934,994
	$	1,998,127	$	1,547,408

14. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2021		**2020**
Loss for the year	$	(779,288)	$	(579,031)
Expected income tax (recovery)		(210,000)		(156,000)
Change in statutory rates and other		(2,000)		4,000
Permanent differences		38,000		49,000
Impact of flow through share		34,000		67,000
Share issue costs		(10,000)		(2,000)
Adjustments to prior year provision versus statutory tax returns		7,000		(133,000)
Change in unrecognized deductible temporary differences		143,000		171,000
Total income tax expense	$	-	$	-

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

		2021		2020
Deferred Tax Assets				
Exploration and evaluation assets	$	171,000	$	164,000
Share issue costs		11,000		6,000
Property and equipment		34,000		34,000
Non-capital losses		790,000		659,000
Net Unrecognized Deferred Tax Assets	$	1,006,000	$	863,000

No net deferred tax asset has been recognized in respect of the above for the years ended January 31, 2021 and 2020 because the amount of future taxable profit that will be available to realize such assets is not probable.

14. INCOME TAXES (continued)

The Company has non-capital losses for Canadian income tax purposes of approximately $2,915,000, which may be carried forward and applied against taxable income in future years. These losses, if not utilized, will expire through to 2041.

Tax attributes are subject to review, and potential adjustment, by tax authorities.

15. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statement of cash flows.

During year ended January 31, 2021:

- Included in accounts payable and accrued liabilities was $27,514 for exploration and evaluation assets.

- The Company issued 2,000,000 common shares valued at $130,000 pursuant to the Purchase Agreement for the acquisition of the Goose Gold Property.

During year ended January 31, 2020:

- The Company reclassified long-term payables of $374,990 to current accounts payable.

16. SUBSEQUENT EVENTS

Subsequent to January 31, 2021, the following occurred:

- 14,587,731 share purchase warrants were exercised at $0.05 per share; and

- 4,800,000 stock options were exercised at $0.05 per share.

- The Company closed a non-brokered private placement consisting of 5,000,000 flow-through units (the “FT Units”) at $0.20 per FT Unit for gross proceeds of $1,000,000. Each FT Unit consisted of one flow-through common share and one-half of one share purchase warrant (each, a “Warrant”). Each whole Warrant entitles the holder to purchase one additional non flow-through common share of the Company at a price of $0.30 per share until May 12, 2023. The Company paid finders' fees of $60,000 in connection with this private placement.