GO METALS CORP.

Condensed Interim Consolidated Financial Statements

For the Six Months Ended January 31, 2022 and 2021

(Unaudited)

(Expressed in Canadian dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management and approved by the Audit Committee.

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

GO METALS CORP.
Condensed interim Consolidated Statements of Financial Position
(Unaudited)
(Expressed in Canadian dollars)

As at,	January 31, 2021 $	July 31, 2021 $
Assets		
Current Assets		
Cash	315,150	348,084
GST and other receivables	2,841	19,689
Prepaid expenses	23	6,253
Due from related parties (Note 8)	63,890	890
Total Current Assets	381,904	374,916
Non-current assets		
Mineral properties (Note 4)	240,350	267,000
Right-of use asset (Note 5)	5,442	10,106
Total Assets	**627,696**	**652,022**
Liabilities and Shareholders' Equity		
Current Liabilities		
Accounts payable and accrued liabilities	126,104	86,178
Due to related parties (Note 8)	102,167	98,617
Loan payable (Notes 6 and 8)	37,642	37,136
Flow-through premium liability (Note 7)	24,744	63,203
Current portion of lease liabilities (Note 9)	5,747	9,438
Total Current Liabilities	296,404	294,572
Long-term liabilities		
Long term portion of lease liabilities (Note 9)	-	852
Convertible debentures (Note 10)	132,314	-
Total Liabilities	**428,718**	**295,424**
Shareholders' Equity		
Share capital (Note 7)	5,003,280	4,982,280
Equity portion on convertible liability	29,166	-
Contributed surplus	965,533	965,533
Deficit	(5,799,001)	(5,591,215)
Total Shareholders' Equity	198,978	356,598
Total Liabilities and Shareholders' Equity	**627,696**	**652,022**

Approved by the Board of Directors on March 28, 2022:

"Scott Sheldon"

Scott Sheldon, Director & CEO

"Donald Sheldon"

Donald Sheldon, Director

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

GO METALS CORP.
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Unaudited)
(Expressed in Canadian dollars)

	Three months ended January 31, 2022 $	Three months ended January 31, 2021 $	Six months ended January 31, 2022 $	Six months ended January 31, 2021 $
Exploration Expenses (Notes 4 and 8)	**74,056**	**43,257**	**131,931**	**469,878**
Administrative Expenses				
Audit and accounting	12,500	13,177	28,525	23,677
Accretion (Note 9 and 10)	3,682	-	6,687	-
Consulting fees	-	18,413	176	18,413
Depreciation (Note 5)	2,332	-	4,664	-
General and administrative	3,530	1,226	6,402	11,111
Interest (Notes 6, 8 and 10)	3,278	254	5,931	507
Management fees (Note 8)	(18,000)	16,365	15,000	48,000
Marketing	1,327	3,975	5,296	8,186
Stock-based compensation	-	-	-	12,799
Transfer agent, filing and stock exchange fees	5,238	4,738	11,494	7,351
Travel	-	-	139	-
Total administrative expenses	**13,887**	**58,138**	**84,314**	**130,044**
Net loss before other items	(87,943)	(101,395)	**(216,245)**	**(599,922)**
Other Income				
Write off of mineral properties (Note 4)	(30,000)	-	(30,000)	-
Flow-through share premium recovery (Note 7)	20,571	2,085	38,459	2,085
Net loss and comprehensive loss for the period	**(97,372)**	**(99,310)**	**(207,786)**	**(597,837)**
Loss per share, basic and diluted	(0.02)	(0.02)	(0.04)	(0.11)
Weighted average shares outstanding	5,747,534	5,536,860	5,738,860	5,283,668

GO METALS CORP.

Condensed Interim Consolidated Statement of Changes in Shareholders' Equity
(unaudited)
(Expressed in Canadian dollars)

	Share Capital							
	Common Shares	Amount $	Preferred Shares	Amount $	Equity component of Convertible Debt $	Contributed Surplus $	Deficit $	Total $
Balance, at July 31, 2020	**4,135,429**	**3,940,462**	**706,292**	**-**		**678,163**	**(4,515,488)**	**103,137**
Private placements	1,528,172	1,353,575	-	-	-	78,175	-	1,431,750
Flow through premium	-	(213,307)	-	-	-	-	-	(213,307)
Share issuance costs – cash	-	(53,882)	-	-	-	-	-	(53,882)
Share issuance costs – warrants	-	(44,568)	-	-	-	44,568	-	-
Stock-based compensation	-	-	-	-	-	12,799	-	12,799
Net loss for the period	-	-	-	-	-	-	(597,837)	(597,837)
Balance, at January 31, 2021	**5,663,601**	**4,982,280**	**706,292**	**-**	**-**	**813,705**	**(5,113,325)**	**682,660**
Balance, at July 31, 2021	**5,663,534**	**4,982,280**	**706,292**	**-**	**-**	**965,533**	**(5,591,215)**	**356,598**
Shares issued for debt	84,000	21,000	-	-	-	-	-	21,000
Equity portion of convertible loans	-	-	-	-	29,166	-	-	29,166
Net loss for the period	-	-	-	-		-	(207,786)	(207,786)
Balance, at January 31, 2022	**5,747,534**	**5,003,280**	**706,292**	**-**	**29,166**	**965,533**	**(5,799,001)**	**198,978**

GO METALS CORP.
Condensed interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

For the periods ended	January 31, 2022 $	January 31, 2021 $
Cash provided by (used in):		
Operating activities		
Net loss for the period	(207,786)	(597,837)
Adjustments for non-cash items		
Depreciation	4,664	-
Accretion	6,687	-
Interest	5,931	506
Flow-through share premium recovery	(38,459)	(2,085)
Write off of mineral properties	30,000	-
Stock-based compensation	-	12,799
Changes in non-cash operating working capital:		
GST and other receivables	16,848	(5,765)
Prepaid expenses	6,230	(7,916)
Accounts payable and accrued liabilities	60,926	12,520
Due to/from related parties	(59,450)	(10,592)
Cash used in operating activities	(174,409)	(598,370)
Investing activities		
Claims staked	(3,350)	-
Lease payments	(5,175)	-
Cash used in investing activities	(8,525)	-
Financing activities		
Proceeds from convertible debentures issued	150,000	-
Proceeds from private placements	-	1,431,750
Share issue costs	-	(90,882)
Cash received from financing activities	150,000	1,340,868
Increase (Decrease) in cash	(32,934)	742,498
Cash, beginning of year	348,084	39,518
Cash, end of period	315,150	782,016
Supplemental information		
Residual value of warrants issued	-	78,175
Warrants issued for finders' fees	-	44,568
Shares issued for debt	21,000	-
Cash paid for income tax	-	-

1. Nature of Operations and Going Concern

Go Metals Corp. ("Go Metals" or the "Company") was incorporated on April 27, 2012 in Canada with limited liability under the legislation of the Province of British Columbia. The Company's common shares trade on the Canadian Securities Exchange ("CSE") under the symbol "GOCO" and its registered office is located at Suite 810 – 789 West Pender Street, Vancouver, BC, V6C 1H2, Canada.

On June 16, 2021, the Company consolidated all of its issued and outstanding common shares on the basis of every 15 old common shares into 1 new common share. On June 16, 2021, the Company also consolidated all of its issued and outstanding preferred shares on the basis of every 15 old preferred shares to 1 new preferred share. Unless otherwise noted, all share, option and warrant information have been retroactively adjusted to reflect this consolidation.

The Company is an exploration stage company and is in the process of exploring its mineral properties in Canada and has not yet determined whether its properties contain ore reserves that are economically recoverable. The recoverability of amounts spent for mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of its property, and upon future profitable production or proceeds from disposition of the properties. The operations of the Company will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Company will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These condensed interim consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, it may be unable to realize the carrying value of its assets and to meet its liabilities as they become due. As at January 31, 2021, the Company has not generated any revenues from operations and has an accumulated deficit of $5,799,001 (July 31, 2021 - $5,591,215). The Company expects to incur further losses in the development of its business, all of which may cast significant doubt about the Company's ability to continue as a going concern. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These condensed interim consolidated financial statements do not reflect any adjustments to the carrying values of assets and liabilities, the reported expenses, and the balance sheet classifications used that may be necessary if the Company is unable to continue as a going concern. Such adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. The pandemic could result in delays in the course of business, including potential delays to its exploration efforts/activities/programs, and continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital.

1. Nature of Operations and Going Concern (continued)

In addition, the COVID-19 pandemic has created a dramatic slowdown in the global economy. The duration of the COVID-19 outbreak and the resultant travel restrictions, social distancing, Government response actions, business closures and business disruptions, can all have an impact on the Issuer's operations and access to capital. There can be no assurance that the Issuer will not be impacted by adverse consequences that may be brought about by the COVID-19 pandemic on global financial markets may reduce resource prices, share prices and financial liquidity and thereby that may severely limit the financing capital available. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

2. Basis of Presentation

These unaudited condensed interim financial statements were authorized for issue on March 28, 2021 by the directors of the Company.

(a) Statement of Compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent 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").

The condensed interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at and for the year ended July 31, 2021.

(b) Basis of Measurement

These condensed interim consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Functional and Presentation Currency

The functional currency of a company is the currency of the primary economic environment in which the company operates. The presentation currency for a company is the currency in which the company chooses to present its condensed interim consolidated financial statements. These condensed interim consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the Company and its subsidiary.

3. Significant Accounting Policies (continued)

(d) Basis of Consolidation

These condensed interim consolidated financial statements include the financial information of the Company and its wholly-owned subsidiary, Shiraz Petroleum Corporation (formerly Hella Resources Corp.) from the date of incorporation on November 17, 2014. Shiraz Petroleum Corporation is a dormant/inactive company. Any intercompany balances are eliminated upon consolidation.

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the period. Although management uses historical experience and its best knowledge of the amount, events, or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

Critical Accounting Judgments and Estimates

Critical Accounting Estimates

The following are the key estimates that may have a significant risk of resulting in a material adjustment in future periods:

<u>Fair value estimates of equity instruments</u>
The fair value of each stock option granted is estimated at the grant date using the Black-Scholes option pricing model. The estimated life of the stock options and conversion at grant date is based on the expected life of the options and assumptions about the expected exercise pattern. Expected volatility of stock options is estimated based on the volatility of the historic values of the Company. Forfeiture rates and dividend yields are estimated based on historical data.

<u>Income taxes</u>
In assessing the probability of realizing income tax assets, management makes estimates related to expectations of future taxable income, applicable tax opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified.

<u>Right-of-use assets and lease liabilities</u>

The Company uses estimation in determining the incremental borrowing rate used to measure the lease liability, specific to the asset, underlying currency, and geographic location. Where the rate implicit in the lease is not readily determinable, the discount rate of the lease obligations is estimated using a discount rate similar to the Company's specific borrowing rate. This rate represents the rate that the Company would incur to obtain the funds necessary to purchase the asset of a similar value, with similar payment terms and security in a similar environment.

3. Significant Accounting Policies (continued)

Critical Accounting Judgments and Estimates (continued)

Critical Judgments Used in Applying Accounting Policies

Critical judgments exercised in applying accounting policies that have the most significant effect on the amounts recognized in the condensed interim consolidated financial statements are as follows:

Economic recoverability and probability of future economic benefits of mineral properties
Management has determined that mineral property costs incurred which were capitalized have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

Determination of Going Concern Assumption
The preparation of these condensed interim consolidated financial statements requires management to make judgments regarding the applicability of going concern assumption to the Company as discussed in Note 1.

Mining exploration tax credits and flow-through expenditures
The Company is eligible for refundable tax credits on qualified resource expenditures incurred in the province of British Columbia and Quebec (the “Provinces”). Uncertainties exist with respect to the interpretation of tax regulations which could be disallowed by the province in the calculation of credits. The calculation of the Company’s refundable tax credits involves significant estimates and judgment on items whose tax treatment cannot be verified until a notice of assessment and subsequent payments have been received from the provinces. Differences between management’s estimates and the final assessment could result in adjustments to the mining exploration tax credit and the future income tax expense. The Company is also required to spend proceeds received from the issuance of flow-through shares on qualifying resources expenditures.

Differences in judgment between management and regulatory authorities with respect to qualified expenditures may result in disallowed expenditures by the tax authorities. Any amount disallowed may result in the Company’s required expenditures not being fulfilled.

Impairment of mineral properties
Assets or cash-generating units (“CGUs”) are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company’s mineral properties.

In respect of costs incurred for its mineral properties, management has determined that related acquisition costs incurred, which have been capitalized, continue to be appropriately recorded on the condensed interim consolidated statements of financial position at its carrying value as management has determined there are no indicators of impairment for its mineral properties as at January 31 2022 and July 31, 2021.

(Expressed in Canadian dollars)

3. Significant Accounting Policies (continued)

Leases

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease is recognized as a right-of-use asset and corresponding liability at the commencement date. Each lease payment included in the lease liability is apportioned between the repayment of the liability and a finance cost. Lease liabilities represent the net present value of fixed lease payments (including in-substance fixed payments); variable lease payments based on an index, rate, or subject to a fair market value renewal condition; amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if it is probable that the lessee will exercise that option.

The lease payments are discounted using the interest rate implicit in the lease or, if that rate cannot be determined, the lessee's incremental borrowing rate. The period over which the lease payments are discounted is the expected lease term, including renewal and termination options that the Company is reasonably certain to exercise.

Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis in general and administration and sales and marketing expense in the condensed interim consolidated statement of comprehensive loss. Short term leases are defined as leases with a lease term of 12 months or less.

Right-of-use assets are measured at cost, which is calculated as the amount of the initial measurement of lease liability plus any lease payments made at or before the commencement date, any initial direct costs and related restoration costs. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. The depreciation is recognized from the commencement date of the lease.

4. Mineral Properties

The Company's mineral property interests are comprised of the following properties:

	Monster	Ashuanipi	Nickel Paladium	Total
Balance, at July 31, 2020	$ 237,000	$ -	$ -	$ 237,000
Additions	-	30,000	-	30,000
Balance, at July 31, 2021	237,000	30,000	-	267,000
Additions	-	-	3,350	3,350
Impairment	=	(30,000)	-	(30,000)
Balance, at January 31, 2022	$ 237,000	$ -	$ 3,350	$ 240,350

(Expressed in Canadian dollars)

4. Mineral Properties (continued)

During the six-month period ended January 31, 2022, the Company incurred exploration expenditures as follows:

Exploration and related expenditures	**Nickel Palladium**	**Monster**	**Ashuanipi**	**Total**
Exploration expenditures	$ 26,584	$ 284	$ 4,949	$ 31,817
Geological	59,092	3,603	46,193	108,888
Transportation / travel	-	226	-	226
Recovery of expenses	(9,000)	-	-	(9,000)
Total mineral property expenditures	$ 76,676	$ 4,113	$ 51,142	$ 131,931

During the year ended July 31, 2021, the Company incurred exploration expenditures as follows:

Exploration and related expenditures	**Nickel Palladium**	**Monster**	**Ashuanipi**	**Total**
Assay	$ -	$ 5,960	$ -	$ 5,960
Drilling	-	117,451	-	117,451
Field work	-	23,018	-	23,018
Geological and Geophysical Survey	207,947	124,444	170,060	502,451
Helicopter and other transport	2,806	201,356	-	204,162
License and filing	1,222	6,080	-	7,302
Recovery of expenses	-	(40,000)	-	(40,000)
Total mineral property expenditures	$ 211,975	$ 438,309	$ 170,060	$ 820,344

Ashuanipi Gold Property, Quebec, Canada

On May 5, 2021 the Company entered into an agreement with Flow Metals Corp. whereby the Company can earn in on the Ashuanipi property for up to 80% through the funding of exploration as follows:

- $200,000 spent on exploration by December 1, 2021 for the Company to earn 40% - completed;
- $200,000 spent on exploration by December 1, 2022 for the Company to earn an additional 20%;
- Following the exploration expenditures from the Company of $400,000, the Company has the option to create a Joint Venture; or
- The Company may spend an additional $400,000 by December 1, 2023 to earn an additional 20% interest.

In accordance with the agreement, the Company has the obligation to pay the cash portion of the option agreement from Flow Metals Corp. with Windfall Geotek. These payments are outlined below.

(Expressed in Canadian dollars)

4. Mineral Properties (continued)

Ashuanipi Gold Property, Quebec, Canada (continued)

Cash consideration

(i) $30,000 to be paid within the first anniversary date from signing of the agreement. (amended on April 23, 2020 to 13 months of the common shares of the Company being listed on the Canadian Securities Exchange ("CSE")) (paid);
(ii) $40,000 to be paid February 20, 2022; and
(iii) $50,000 to be paid February 20, 2023.

The transaction is a related party transaction as the Company and Flow Metals Corp. share common management and directors (Note 8). Additionally, Windfall Geotek Inc. has retained a 2% net smelter return on the Ashuanipi property.

As at January 31, 2022, the Company is not pursuing Ashuanipi property and recorded a write-off of mineral properties of $30,000.

Monster Property, Yukon Territory, Canada

During the year ended July 31, 2018, the Company acquired a 100% interest in a cobalt property located in the Yukon (the "Monster Property"). For consideration, the Company is required to make a cash payment of $45,000 (paid) and issue 106,667 common shares fair valued at $192,000 (issued).

Nickel Palladium Platinum Property, Quebec, Canada

In February 2019, the Company acquired a 40 claim 2000 Ha nickel-copper-platinum group elements project located north of Havre-Saint-Pierre in Quebec, Canada. During the year ended July 31, 2021, the Company acquired 65 additional claims (2020 - Nil).

5. Right-of-use asset

During the year ended July 31, 2021, the Company entered into a sublease agreement for office space. Upon entering into the lease, the Company measured the present value of the lease payments using an incremental borrowing rate of 15% per annum and recognized $12,438 as a right-of-use asset. The sublease is reflected on the condensed interim consolidated statement of financial position as a right-of-use asset, with an associated lease liability (Note 9).

The following is a continuation table for the right of use asset.

Beginning balance July 31 2020	$ -
Additions	12,438
Depreciation	(2,332)
Balance July 31 2021	10,106
Depreciation	(4,664)
Ending balance January 31 2022	$ 5,442

6. Loan Payable

As at January 31, 2022, the Company has a loan outstanding with a principal value of $20,100 (July 31, 2020 - $20,100) bearing interest at 5% and various current and arrear interest components totalling $17,542 (July 31, 2020 - $17,036) due to a related party (Note 8). Interest incurred on the loan payable during the six-month period ended January 31, 2022 was $506 (January 31, 2021 - $506).

7. Share Capital

(a) Authorized

Unlimited number of common shares without par value.
Unlimited number of Class A Preferred Shares with a par value of $0.015.

On June 16, 2021, the Company consolidated all of its issued and outstanding common shares on the basis of every 15 old common shares into 1 new common share. Unless otherwise noted, all share, option and warrant information have been retroactively adjusted to reflect this consolidation.

7. Share Capital (Continued)

(b) Outstanding

On January 31, 2022, the Company had 5,747,534 (July 31, 2021 – 5,663,534) common shares outstanding at $5,003,280 (July 31, 2021 - $5,663,534) and 706,292 (July 31, 2021 - 706,292) class A preferred shares outstanding at $Nil (July 31, 2021 - $Nil).

(c) i) Share transactions for the six month-period ended January 31, 2022

On August 19, 2021, the Company has entered into a debt settlement agreement to settle outstanding fees owed to a consultant of the Company for fees totaling $21,000. Pursuant to the settlement agreement, the Company has issued an aggregate of 84,000 shares to the consultant at a deemed price of $0.25 per share.

ii) Share transactions for the year ended July 31, 2021

On November 24, 2020 the Company completed a non-brokered private placement and issued a total of 78,431 “National” flow-through shares at a price of $1.275 per National FT Share for gross aggregate proceeds of $100,000. The Company has also issued 407,407 “Quebec” flow-through shares at a price of $1.35 per Quebec FT Share for gross aggregate proceeds of $550,000. Finder's fees of $37,000 cash have been paid to qualified parties. The flow-through liability associated with these issuances using the residual method was $176,307. The Company recognized flow-through premium liability of $115,189 on incurred expenditures as flow-through share premium recovery during the year ended July 31, 2021.

On August 13, 2020, the Company completed a non-brokered private placement consisting of 1,042,333 units at $0.75 per unit for gross proceeds of $781,750. Each unit consists of one common share and one transferable share purchase warrant with one whole share purchase warrant exercisable at a price of $1.05 per share for a period of 36 months from the date of issuance. The warrant portion of the issuance was determined to have a value of $78,175 using the residual value method, which was accounted for in contributed surplus.

(Expressed in Canadian dollars)

7. Share Capital (Continued)

In connection with the private placement, the Company paid a finders' fee of $53,882 cash and issued 71,843 finders' warrants with the same terms and conditions as the financing. The fair value of the finders' warrants calculated under the Black-Scholes model was $44,568. The finders' warrants were recorded as a share issuance cost.

(d) Warrants

	Six months ended January 31, 2022			Year ended July 31, 2021		
	Number of Warrants		Weighted Average Exercise Price	Number of Warrants		Weighted Average Exercise Price
Opening	**1,914,177**	**$**	**1.55**	1,338,000	$	2.026
Issued	**-**		**-**	1,114,177		1.050
Expired	**-**		**-**	(538,000)		1.692
Ending	**1,914,177**	**$**	**1.55**	1,914,177	$	1.552

Weighted average remaining life of outstanding warrants as at January 31, 2022 is 0.90 years (July 31, 2021 - 1.28 years).

As at January 31, 2022, the Company had the following warrants outstanding:

Number of warrants	Exercise price	Expiry date
800,000*	$2.250	February 11, 2022
1,114,177	$1.050	August 13, 2023
1,914,177	$1.552	

* During the three-month period ended October 31, 2020, the Company extended the expiry date of 800,000 warrants due on February 11, 2020 to February 11, 2022. See subsequent events Note 14.

(e) Stock options

The Company grants stock options to directors, officers, employees and consultants and affiliate or any person deemed suitable by the board of directors, pursuant to its Incentive Share Option Plan (the "Plan"). The number of options that may be issued under the Plan is limited to no more than 10% of the Company's issued and outstanding shares on the grant date. Options issued under the Plan vest immediately and must have a term equal to or less than 5 years and exercise price equal to or greater than market price on grant date.

On July 20, 2021 the Company issued 500,000 options, in terms of the Company's Stock Option plan, to directors, officers and consultants to acquire one additional common share at a price exercisable at $0.31 for five years. The fair value of the options was determined using the Black Scholes Option Pricing Model; an amount of $151,828 was recorded as stock-based compensation.

(Expressed in Canadian dollars)

7. Share Capital (Continued)

(e) Stock options (continued)

On August 17, 2020 the Company issued 23,333 options, in terms of the Company's Stock Option plan, to a consultant exercisable at $0.75 for three years. The fair value of the options was determined using the Black Scholes Option Pricing Model; an amount of $12,799 was recorded as stock-based compensation. These options were cancelled during the year ended July 31, 2021.

On October 28, 2019, the Company issued 16,667 options, in terms of the Company's Stock Option plan, to a consultant exercisable at $1.275 for five years. The fair value of the options was determined using the Black Scholes Option Pricing Model; an amount of $9,872 was recorded as stock-based compensation.

The Company's stock options outstanding and exercisable are as follows:

	Six months ended January 31, 2022			Year ended July 31, 2021		
	Number of Options		Weighted Average Exercise Price	Number of Options		Weighted Average Exercise Price
Opening	**520,000**	**$**	**0.413**	290,000	$	1.725
Granted	**-**		**-**	523,333		0.330
Expired/Cancelled	**-**		**-**	(293,333)		1.561
Ending	**520,000**	**$**	**0.413**	520,000	$	0.413
Exercisable	**520,000**	**$**	**0.413**	520,000	$	0.413

Weighted average remaining life of outstanding options as at January 31, 2022 is 4.37 years (July 31, 2021 - 4.88 years).

As at January 31, 2022, the Company had the following stock options outstanding:

Number of stock options	Exercise price	Expiry date
20,000	$3.00	January 9, 2024
500,000	$0.31	July 20, 2026
520,000		

The stock options granted during the year ended July 31, 2021 were valued at $164,627 using the Black-Scholes Option Pricing Model, using the following assumptions:

Grant date	Expected life	Volatility	Dividend yield	Risk-free interest rate	Forfeiture rate
July 20, 2021	5 years	207%	0%	0.79%	0%
August 17, 2020	3 years	204%	0%	0.29%	0%

The expected volatility assumption is based on the volatility of the historic values of the Company. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the stock options' expected life. The Company uses historical data to estimate option exercise, forfeiture and employee termination within the valuation model. The Company has not paid and does not anticipate paying dividends on its share capital.

(Expressed in Canadian dollars)

8. Related Party Transactions

The remuneration of the Company's directors and other members of key management who have the authority and responsibility for planning, directing and controlling the activities of the Company, consist of the following amounts:

	January 31, 2022	July 31, 2021
*Management fees	$ -	$ 24,000
	$ -	$ 24,000

*During the six months period ended January 31, 2022, the Company recovered $51,000 (January 31, 2021 $Nil) management fees from a Company controlled by common management.

As at January 31, 2022, the Company owed $102,167 (July 31, 2021 - $98,617) to the President, directors and their companies. This amount is non-interest bearing, unsecured and repayable on demand.

As at January 31, 2022, the Company had $37,642 (July 31, 2021 - $37,136) of loans payable (Note 6) to directors and their companies. The loan bears 5% interest and is composed of principal of $20,100 (2021 - $20,100) and various current and arrear interest components totalling $17,542 (2021 - $16,031). Interest expense during the six-month period ended January 31, 2022 was $506 (2021 - $506).

As at January 31, 2022, the Company had a receivable of $63,890 (July 31, 2021 - $890) from Flow Metals Corp., a company with certain management and directors in common. This amount is non-interest bearing, unsecured and repayable on demand.

The Company has an option agreement to earn a further interest in Ashuanipi Gold Property from Flow Metals Corp., a Company controlled by common management. The Ashuanipi property was written-off in both Companies during the year ending July 31, 2022.

9. Lease Liability

The Company recognized right-of-use asset of $12,438 (Note 5) and lease liability of $12,438. The Company recorded a right-of-use asset for subleased office space in the statement of financial position relating to the sublease agreement effective May 1, 2021. At the commencement date of the lease, the lease liability was measured as the present value of the future lease payments that were not paid at that date. These lease payments are discounted using a discount rate of 15%, which is the Company's estimated incremental borrowing rate.

(Expressed in Canadian dollars)

9. Lease Liability (Continued)

The following is a continuity schedule of lease liabilities for the six months period ended January 31, 2022 and for the year ended July 31, 2021:

	January 31, 2022 $	July 31, 2021 $
Opening Balance	**10,290**	-
Lease additions	**-**	12,438
Lease payments	**(5,175)**	(2,588)
Accretion on lease liability	**632**	440
Closing Balance	**5,747**	10,290
Current portion	**5,747**	9,438
Long term portion	**-**	852

10. Convertible Debentures

On August 19, 2021, the Company completed a non-brokered private placement of unsecured convertible promissory notes with an aggregate value of $150,000. The promissory notes are unsecured and bear interest at a rate of 8% per annum with a maturity date of August 19, 2023. Each holder shall have the right at its option to convert all or a portion of the principal amount of the promissory notes and the accrued and unpaid interest on the principal amount outstanding under the promissory notes into units at a conversion price of $0.25 per unit. Each unit is comprised of one common share and one common share purchase warrant. Each warrant will entitle the holder thereof to acquire one additional share at a price of $0.30 for a period of two years from the date the warrant is issued.

The following table reconciles the recorded value of the liability and the equity components of the convertible debentures:

	Convertible debenture $	Equity component of convertible debenture $	Total $
Balance, July 31, 2021	-	-	-
Additions	120,834	29,166	150,000
Interest expense	5,425	-	5,425
Accretion on convertible debenture	6,055	-	6,055
Balance January 31, 2022	132,314	29,166	161,480
Current portion	-	-	-
Long term portion	132,314	29,166	161,480

(Expressed in Canadian dollars)

11. Financial Instruments

(a) Classification of Financial Instruments

The Company has classified its financial instruments as follows:

	January 31, 2022 $	July 31, 2021 $
Financial assets, measured at amortized cost:		
Cash	315,150	348,084
Due from related parties	63,890	890
	379,040	348,974
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	126,104	86,178
Due to related parties	102,167	98,617
Convertible debentures	132,314	-
Lease liabilities	5,747	10,290
Loan payable	37,642	37,136
	403,974	232,221

(a) Fair Values

The Company has classified fair value measurements of its financial instruments using a fair value hierarchy that reflects the significance of inputs used in making the measurements as follows:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2: Valuations based on directly or indirectly observable inputs in active markets for similar assets or liabilities, other than Level 1 prices, such as quoted interest or currency exchange rates; and
Level 3: Valuations based on significant inputs that are not derived from observable market data, such as discounted cash flow methodologies based on internal cash flow forecasts.

(a) Fair Values

As at January 31, 2022, the fair values of cash, accounts payable and accrued liabilities, due to/from related parties, loan payable and lease liabilities approximate their carrying values due to the relatively short-term maturity of these instruments.

11. Financial Instruments (Continued)

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company currently settles its financial obligations out of cash. The ability to do this relies on the Company raising equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company's liabilities are predominantly due within 90 days of January 31, 2022 and lease liabilities of $5,747 (July 31, 2021 - $9,438) due within 12 months, and $Nil (July 31, 2021 - $852) beyond 12 months and Convertible debentures of $132,314 (July 31 2021 - $Nil) beyond 12 months.

(c) Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations.

The Company's cash is largely held in large Canadian financial institutions. The Company does not have any asset-backed commercial paper. The Company is not exposed to any significant credit risk.

With respect to its due from related parties, the Company assesses the credit rating of all debtors and maintains provisions for potential credit losses, and any such losses to date have been within management's expectations. The Company's credit risk with respect to amounts due from related parties and maximum exposure thereto as at January 31, 2022 is $63,890 (July 31, 2021 - $890).

(d) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

(e) Interest rate risk

Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does not hold any financial liabilities with variable interest rates other than loans payable which bears 5% interest (Note 6) and convertible debentures payable which bears 8% interest (Note 10). The Company does maintain bank accounts which earn interest at variable rates but it does not believe it is currently subject to any significant interest rate risk.

(f) Foreign currency exchange rate risk

The Company currently has no significant operations denominated in foreign currencies. Management believes there is no significant foreign currency exchange rate risk.

12. Capital Management

The Company defines its capital as cash and equity comprised of issued share capital and deficit. 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 and 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. The properties in which the Company currently has an interest are in the exploration stage. As such, the Company has historically relied on the equity markets to fund its activities. In addition, the Company is dependent upon external financings to fund activities. In order to carry out planned exploration and pay for administrative costs, the Company will need to raise additional funds. 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 have been no changes in the Company's approach to capital management during the year.

The Company is not subject to externally imposed capital requirements as at January 31, 2022 except when the Company issues flow-through shares for which the amount should be used for exploration work.

On November 24, 2020, the Company completed flow-through private placements totalling $650,000. As at January 31, 2022, the Company incurred $552,238 (July 31, 2021 - $415,468) in eligible exploration and evaluation expenditures and consequently the Company has the obligation to incur a remaining balance of $97,762 in exploration and evaluation expenditures no later than November 24, 2022.

13. Segmented Information

The Company operates in one reportable operating segment, being the acquisition and exploration of mineral properties in Canada. As the operations comprise a single reporting segment, amounts disclosed also represent segment amounts. All long-term assets of the Company are located in Canada.

14. Subsequent events

On February 11, 2022 800,000 warrants exercisable at $2.25 expired unexercised.

On March 10, 2022 the Company closed a non-brokered private placement of 12,700,000 units issued at a price of $0.125 per unit for gross proceeds of $1,587,500 and it has issued 100,000 flow-through shares, issued at a price of $0.16 per FT Share for gross proceeds of $16,000.

Each unit is comprised of one common share and one-half of one transferable share purchase warrant, with two such half warrants being a warrant. Each warrant entitles the holder thereof to purchase one additional share of the Company at a price of CAD$0.25 for a period of 24 months from the date of issuance.

14. Subsequent events

The Company paid finder's fees of $92,533 cash and issued 62,000 finder warrants which will entitle the holder to acquire one additional share of the Company at a price of $0.25 for a period of twenty-four months and 750,000 finder warrants which will entitle the holder to acquire one additional unit of the Company at a price of $0.125 for a period of twenty-four months have been paid to qualified parties.

On March 16, 2022 the Company issued 500,000 options, in terms of the Company's Stock Option plan, to directors, officers and consultants which are exercisable at $0.26 for five years.

On March 21, 2022 the Company issued 75,000 options in terms of the Company's Stock Option plan to a consultant, which are exercisable at $0.26 for five years.