BLACK TUSK RESOURCES INC.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTH PERIOD ENDED JULY 31, 2022

AND JULY 31, 2021

(UNAUDITED)

Notice of No Auditor Review of Interim Financial Statements

The accompanying unaudited 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 financial statements in accordance with the standards established by the Canadian Institute to Chartered Accountants for a review of interim financial statements by an entity's auditors.

BLACK TUSK RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

	July 31, 2022 (Unaudited)	April 30, 2022 (Audited)
ASSETS		
Current		
Cash	$ 156,991	$ 108,051
Amounts receivables	104,119	79,509
Prepaid expenses	14,750	67,200
	275,860	254,760
Exploration and evaluation assets (Note 5)	2,611,145	2,510,651
	$ 2,887,005	$ 2,765,411
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 170,638	$ 110,988
Flow-through premium	33,400	33,400
	204,038	144,388
SHAREHOLDERS' EQUITY		
Share capital (Note 6)	12,062,369	11,372,106
Reserves	922,538	896,574
Deficit	(10,301,940)	(9,647,657)
	2,682,967	2,621,023
	$ 2,887,005	$ 2,765,411

NATURE OF CONTINUANCE OF OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the board on September 23, 2022:

"Richard Penn" Director

"Renat Mataev" Director

BLACK TUSK RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS

(Expressed in Canadian Dollars) UNAUDITED

	Three months ended July 31, 2022	Three months ended July 31, 2021
EXPENSES		
Consulting fees	$ 342,493	$ 229,541
Investor communication	32,900	–
Management fees	60,000	80,000
Office and miscellaneous	101	9,150
Professional fees	138,318	13,619
Transfer agent and filing fees	21,264	2,187
Travel and promotion	59,207	59,899
Net loss and comprehensive loss end of period	$ 654,283	$ 394,396
Loss per share (basic and diluted)	$ (0.00)	$ (0.00)
Weighted average number of common share outstanding	198,522,107	158,350,264

BLACK TUSK RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars) UNAUDITED

	Number of Shares	Amount	Reserves	Deficit	Total
		$	$	$	$
Balance, April 30, 2022	181,550,264	11,372,106	896,574	(9,647,657)	2,621,023
Issued for cash	20,813,185	498,615	25,964	–	524,579
Issued for services	3,832,960	191,648	–	–	191,648
Comprehensive loss for for the period	–	–	–	(654,283)	(654,283)
Balance, July 31, 2022	206,196,409	12,062,369	922,538	(10,301,940)	2,682,967
Balances, April 30, 2021	158,350,264	10,858,237	886,942	(7,570,499)	4,174,680
Comprehensive loss for the period	–	–	–	(394,396)	(394,396)
Balance, July 31, 2021	158,350,264	10,858,237	886,942	(7,964,895)	3,780,284

BLACK TUSK RESOURCES INC.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

(Expressed in Canadian Dollars) UNAUDITED

		Three months ended July 31, 2022		Three months ended July 31, 2021
CASH PROVIDED BY (USED IN):				
OPERATING ACTIVITIES				
Net loss for the period	$	(654,283)	$	(394,396)
Items not involving cash:				
Stock - based payments		–		–
		(654,283)		(394,396)
Changes in non-cash working capital balances:				
Other receivable		(24,610)		(14,485)
Prepaid expenses		52,450		80,000
Accounts payable and accrued liabilities		59,650		(132,470)
Cash used in operating activities		(566,793)		(461,351)
INVESTING ACTIVITY				
Mineral property acquisition and exploration costs		(100,494)		(57,733)
Cash used in investing activity		(100,494)		(57,733)
FINANCING ACTIVITIES				
Shares issued for cash		524,579		–
Shares issued for service		191,648		–
Cash used in by financing activity		716,227		–
INCREASE IN CASH DURING THE PERIOD		48,940		(519,084)
CASH, BEGINNING OF PERIOD		108,051		1,699,555
CASH, END OF PERIOD	$	156,991	$	1,180,471
SUPPLEMENTAL DISCLOSURES				
Interest paid	$	–	$	–
Income taxes paid	$	–	$	–
Shares issued for services	$	191,648	$	191,648

1. NATURE OF OPERATIONS

Black Tusk Resources Inc. ("the Company") was incorporated on November 18, 2016 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 200-666 Burrard Street, Vancouver, British Columbia, Canada.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at July 31, 2022, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company's ability to continue as a going concern.

The Company had a deficit of $10,301,940 as at July 31, 2022, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give affect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

The financial statements are prepared in accordance with IAS 34 Interim Financial Reporting ("IAS34") using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They do not include all financial information required for full annual financial statements and should be read in conjunction with the Audited Financial Statements of the Company for the year ended April 30, 2022.

The financial statements are prepared in accordance with accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretation of the International Financial Reporting Interpretation Committee ("IFRIC").

The financial statements were authorized for issue by the Board of Directors on September 23, 2022.

(Expressed in Canadian Dollars) UNAUDITED

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

There have been no material revisions to the nature of judgments and estimates of amounts reported in the Company's April 30, 2022 annual financial statements.

4. ACCOUNTING STANDARDS AND AMENDMENTS ISSUED BUT NOT YET ADOPTED

The Company has performed an assessment of new standards issued by the IASB that are not yet effective and has determined that any new standards that have been issued would have no or very minimal impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSETS

	Acquisition costs	**Exploration costs**	**Total**
	$	$	$
Balance, April 30, 2020	1,242,500	330,525	1,573,025
Additions	-	811,220	811,220
Balance, April 30, 2021	1,242,500	1,141,745	2,384,245
Additions	-	126,406	126,406
Balance, April 30, 2022	1,242,500	1,268,151	2,510,651
Additions	–	100,494	100,494
Balance July 31, 2022	1,242,500	1,368,645	2,611,145

Cluster Project

On February 5, 2019, the Company entered into a mineral claim purchase agreement to purchase 100% interest in the mineral property called the Cluster Project, located in Val-D'Or, Quebec. In consideration for the Cluster Project, the Company made cash payment of $25,000 and issued 1,000,000 common shares to the vendor during the year ended April 30, 2019.

During the year ended April 30, 2020, the Company acquired additional claims which are incorporated in the cluster project.

(Expressed in Canadian Dollars) UNAUDITED

5. EXPLORATION AND EVALUATION ASSETS (*continued*)

Cluster Project (*continued*)

As at July 31, 2022, the project is still at an early exploration stage. The Company has incurred the following acquisition and deferred exploration costs as at July 31, 2022:

	Cluster Project
	$
Balance, April 30, 2020	505,525
Deferred Exploration Costs	
Drilling	471,841
Geological	107,310
Field and supplies	191,117
Consulting	40,952
Exploration costs for the year	811,220
Balance, April 30, 2021	**1,316,745**
Deferred Exploration Costs	
Drilling	74,827
Geological	4,817
Field and supplies	9,483
Consulting	14,354
Exploration costs for the year	103,481
Balance, April 30, 2022	**1,420,226**
Deferred Exploration	
Geological	100,494
Balance, July 31, 2022	**1,520,720**

McKenzie East Project

On November 12, 2019, the Company entered into a share purchase agreement to purchase 100% of the outstanding shares of Golda Resources Inc. (“Golda”). At the time of acquisition, Golda held a 100% interest in the mineral property called the McKenzie East Project, located in Quebec. In consideration for the mineral property, the Company issued 5,500,000 common shares to the owners of Golda and paid $15,000 cash to a third party consultant

(Expressed in Canadian Dollars) UNAUDITED

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

McKenzie East Project (continued)

As at July 31, 2022, the project is still at an early exploration stage. The Company has incurred the following exploration expenditures as at July 31, 2022:

	McKenzie East Project
	$
Balance, April 30, 2020 and 2021	317,500
Deferred Exploration Costs	
Exploration costs for the year	11,125
Balance, April 30, 2022 and July 31, 2022	**328,625**

South Rim Project

On January 13, 2020, the Company entered into a share purchase agreement to purchase 100% of the shares of Chalice Gold Exploration Corp. ("Chalice"). At the time of acquisition, Chalice held a 100% interest in the mineral property called the South Rim Project, located in British Columbia. In consideration for the mineral property, the Company issued 10,000,000 common shares to the owners of Chalice.

As at July 31, 2022, the project is still at an early exploration stage. The Company has incurred the following exploration expenditures as at July 31, 2022:

South Rim Project

	South Rim Project
	$
Balance, April 30, 2020 and 2021	750,000
Deferred Exploration Costs	
Exploration costs for the year	11,800
Balance, April 30, 2022 and July 31, 2022	**761,800**

5. EXPLORATION AND EVALUATION ASSETS *(continued)*

Environmental

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current or former properties that may result in material liability to the Company.

Environmental legislation is becoming increasingly stringent and the expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions.

If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

6. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

There are no common shares hold in escrow as at July 31, 2022.

c) Issued and Outstanding:

As at July 31, 2022 there were 206,196,409 common shares issued and outstanding.

During the period ended July 31, 2022, the Company had the following share capital transactions:

The Company issued 20,813,185 common shares pursuant to a private placement to net $210,905.

The Company issued 9,590,335 flow-through common shares pursuant to a private placement to net $287,710.

The Company issued 3,832,960 common shares for services at a deemed value of $191,648.

(Expressed in Canadian Dollars) UNAUDITED

6. SHARE CAPITAL (continued)

d) Options

The changes in options during the years ended April 30, 2022 and the period ended July 31, 2022 are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, April 30, 2021	**9,862,156**	**$0.07**
Expired	(3,012,156)	$0.10
Balance April 30, 2022	**6,850,000**	**$0.07**
Expired	(100,000)	$0.07
Balance July 31, 2022	**6,750,000**	**$0.07**

A summary of options outstanding at July 31, 2022 is as follows:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	Options Issued and Exercisable
September 24, 2022	0.15	$0.075	2,950,000
November 5, 2022	0.27	$0.055	2,300,000
January 4, 2023	0.43	$0.065	1,000,000
January 15, 2023	0.46	$0.075	500,000
		$0.07	6,750,000

(Expressed in Canadian Dollars) UNAUDITED

6. SHARE CAPITAL (continued)

e) Warrants

The changes in warrants during the period ended July 31, 2022 is as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, April 30, 2021	**68,712,257**	**$0.11**
Issued	22,250,000	$0.05
Expired	(13,514,418)	$0.09
Balance, April 30, 2022	**77,447,839**	**$0.08**
Issued	21,863,768	$0.06
Expired	(5,460,900)	$0.10
Balance July 31, 2022	**93,850,707**	**$0.06**

A summary of warrants outstanding at July 31, 2022 is as follows:

Expiry Date	Weighted Average Remaining Contractual Life in Years	Exercise Price	Warrants issued and exercisable
August 13, 2025	3.03	$0.08	3,261,620
September 23, 2025	3.15	$0.10	42,987,819
November 9, 2023	1.28	$0.10	3,987,500
December 8, 2023	1.36	$0.05	15,250,000
December 20, 2023	1.39	$0.04	6,500,000
May 5, 2024	1.76	$0.05	11,414,400
May 16, 2025	2.79	$0.06	10,449,368
			93,850,707

(Expressed in Canadian Dollars) UNAUDITED

6. SHARE CAPITAL (continued)

e) Warrants (continued)

On May 5, 2022 and June 16, 2022, the Company issued 1,050,583 agent warrants related to private placements. The agent warrants are exercisable between $0.05 and $0.06 per share and two years and three years from the date of issue. The weighted average remaining contractual life of the warrants is 2.28 years.

The following assumptions were used for the Black-Scholes valuation of warrants issued:

	2022
Share price	$0.05 - $0.06
Risk – free interest rate	2.69% - 3.24%
Expected life of warrants	2 – 3 years
Dividend rate	0%
Annualized volatility	115%

The fair value per agent's warrant issued is $0.055.

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The following amounts are due to related parties and have been included in accounts payable and accrued liabilities:

	July 31, 2022	**April 30, 2022**
	$	$
Accounts payable and accrued liabilities	Nil	315

The amounts are due to a company controlled by the Chief Executive Officer ("CEO") of the Company. The amounts are non-interest bearing, unsecured and are due upon demand.

The Company had the following related party transactions for the three month period ended:

	July 31, 2022	**July 31, 2021**
	$	$
Management fees	60,000	60,000
Geological fees	–	5,250

Key management includes directors and key officers of the Company, including the President, CEO and Chief Financial Officer. Management fees were provided by a company owned or controlled by the CEO.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. 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 the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at July 31, 2022 are as follows:

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
	$	$	$	$
Cash	156,991	–	–	156,991

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at July 31, 2022 because of the demand nature or short-term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.