CROSS RIVER VENTURES CORP

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED JANUARY 31, 2021 AND 2020

(EXPRESSED IN CANADIAN DOLLARS)

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Independent Auditor's Report

To the Shareholders of Cross River Ventures Corp.

Opinion

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at January 31, 2021 and January 31, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit 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 Group 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 is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- 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 identified above 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 the other information prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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 International Financial Reporting Standards, 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 Group’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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’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 Group’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 Group’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 Group 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 Group 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 Diana Huang.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
May 21, 2021

Cross River Ventures Corp.
Consolidated Statements of Financial Position
As at January 31
(Expressed in Canadian Dollars)

As at	2021	2020 (Restated – Note 12)	2019 (Restated – Note 12)
ASSETS			
Current assets			
Cash	$ 1,892,179	$ 802	$ 15,325
Amounts receivable	61,506	8,300	4,117
Prepaid expenses	216,018	10,000	10,000
	2,169,703	19,102	29,442
Mineral Exploration and Evaluation Assets (Note 4)	2,506,840	20,000	20,000
Total assets	$ 4,676,543	$ 39,102	$ 49,442
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	$ 108,754	$ 127,226	$ 61,353
Flow-through liability (Note 7)	101,074	-	-
	209,828	127,226	61,353
Promissory Notes Payable (Note 6)	-	15,000	-
Total liabilities	209,828	142,226	61,353
SHAREHOLDERS' EQUITY (DEFICIENCY)			
Share capital (Note 7)	5,489,678	102,500	102,500
Reserves (Note 7)	740,058	-	-
Deficit	(1,763,021)	(205,624)	(114,411)
Total shareholders' equity (deficiency)	4,466,715	(103,124)	(11,911)
Total liabilities and shareholders' equity (deficiency)	$ 4,676,543	$ 39,102	$ 49,442

Nature of Operations and Going Concern (Note 1)
Subsequent Events (Note 13)

Approved on behalf of the Board on May 21, 2021

"Dan Placzek" Director ***"Kosta Tsoutsis"*** Director

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

Cross River Ventures Corp.
Consolidated Statements of Loss and Comprehensive Loss
For the Years Ended January 31
(Express in Canadian Dollars)

		2021		2020 (Restated – Note 12)
Expenses				
Audit and accounting	$	24,994	$	19,450
Consulting		153,198		-
Corporate development		88,500		-
Exploration and evaluation costs (Note 4)		221,287		23,493
Investor relations		130,118		-
Legal		40,373		38,494
Management and directors fees (Note 8)		112,975		-
Marketing, conferences and shareholder communications		295,805		-
Office and administration		13,453		17
Property investigation costs		29,500		-
Rent (Note 8)		11,000		-
Share-based compensation (Notes 7 and 8)		358,352		-
Transfer agent and filing fees		31,373		9,759
Total expenses		(1,510,928)		(91,213)
Interest income		331		-
Other income (Note 7)		3,200		-
Write-off of mineral exploration and evaluation assets (Note 4)		(50,000)		-
Loss and comprehensive loss for the year	$	(1,557,397)	$	(91,213)
Basic and diluted loss per common share	$	(0.15)	$	(0.03)
Weighted average number of common shares outstanding		10,561,912		3,500,000

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

Cross River Ventures Corp.
Consolidated Statement of Changes in Shareholder's Equity (Deficiency)
(Expressed in Canadian Dollars)

	Number of Shares*	Share Capital	Reserves	Deficit (Restated – Note 12)	Total (Restated – Note 12)
Balance, January 31, 2019	3,500,000	$ 102,500	$ -	$ (114,411)	$ (11,911)
Loss and comprehensive loss for the year	-	-	-	(91,213)	(91,213)
Balance, January 31, 2020	3,500,000	102,500	-	(205,624)	(103,124)
Loss and comprehensive loss for the year	-	-	-	(1,557,397)	(1,557,397)
Common shares issued for private placements	16,813,703	4,139,070	-	-	4,139,070
Common shares issued for acquisition of exploration and evaluation assets	4,150,000	1,404,000	-	-	1,404,000
Common shares issued for acquisition of NDMC	2,500,004	860,002	-	-	860,002
Share issuance costs	-	(1,013,225)	411,111	-	(602,114)
Flow-through liability	-	(104,274)	-	-	(104,274)
Exercise of warrants	337,500	33,750	-	-	33,750
Exercise of Agent's options	347,000	64,036	(29,336)	-	34,700
Exercise of options	18,750	3,819	(69)	-	3,750
Share-based compensation	-	-	358,352	-	358,352
Balance, January 31, 2021	27,666,957	$ 5,489,678	$ 740,058	$ (1,763,021)	$ 4,466,715

* On April 16, 2019, the Company consolidated its issued and outstanding common shares on the basis of one new share of every two existing shares. Unless otherwise indicated, all references to share capital presented in these financial statements and notes thereto are on a post-consolidation basis.

Cross River Ventures Corp.
Consolidated Statements of Cash Flows
For the Years Ended January 31
(Expressed in Canadian Dollars)

		2021		2020 (Restated – Note 12)
CASH FLOWS PROVIDED BY (USED IN)				
OPERATING ACTIVITIES				
Loss for the year	$	(1,557,397)	$	(91,213)
Items not involving cash:				
Other income		(3,200)		-
Share-based compensation		358,352		-
Write-off of mineral exploration and evaluation assets		50,000		-
Change in non-cash operation working capital:				
Change in amounts receivable		(53,206)		(4,183)
Change in prepaid expenses		(206,018)		-
Change in accounts payable and accrued liabilities		(34,074)		65,873
Net cash used in operating activities		(1,445,543)		(29,523)
INVESTING ACTIVITIES				
Acquisition of mineral exploration and evaluation assets		(212,000)		-
Cash received from acquisition of NDMC		7,000		-
Cash paid on acquisition of NDMC		(60,838)		-
Net cash used in investing activities		(265,838)		-
FINANCING ACTIVITIES				
Proceeds from issuance of shares		4,139,070		-
Share issuance costs paid		(593,512)		-
Proceeds from (Repayment of) promissory notes, net		(15,000)		15,000
Exercise of options		3,750		-
Exercise of Agent's options		34,700		-
Exercise of warrants		33,750		-
Net cash provided by financing activities		3,602,758		15,000
Increase (decrease) in cash for the year		1,891,377		(14,523)
Cash, beginning of year		802		15,325
Cash, end of year	$	1,892,179	$	802
Supplemental cash flow information:				
Cash received (paid) for interest	$	331	$	-
Cash received (paid) for taxes	$	-	$	-
Non-cash investing and financing information:				
Common shares issued for acquisition of NDMC	$	860,002	$	-
Common shares issued for exploration and evaluation assets	$	1,404,000	$	-
Fair value of Agents' options included in share capital	$	261,111	$	-
Fair value of Finders' warrants included in share capital	$	150,000	$	-
Share issuance costs included in accounts payable	$	8,602	$	-

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

1 Nature of operations and Going Concern

Cross River Ventures Corp. (the "Company"), of 1430 - 800 West Pender Street, Vancouver, BC, Canada V6C 2V6 was incorporated under the *Business Corporations Act* (British Columbia) on April 11, 2017. The Company's shares are listed on the Canadian Securities Exchange ("CSE") under the symbol CRVC. The principal business of the Company is the identification, evaluation and acquisition of mineral properties, as well as exploration of mineral properties once acquired.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. As at January 31, 2021, the Company had not achieved profitable operations and expects to incur further losses in the development of its business.

The Company is in the process of exploring and evaluating its mineral exploration and evaluation assets. On the basis of the information to date, it has not yet determined whether these assets contain economically recoverable ore reserves. The underlying value of the mineral exploration and evaluation assets and related deferred costs is entirely dependent on the existence of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development and upon future profitable production. The amounts shown as mineral exploration and evaluation assets represent net acquisition costs to date, less any amounts written off, and do not necessarily represent present or future values.

There is presently an ongoing global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could 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. These factors, amongst others, could have a significant impact on the Company's operations.

Although the Company has been successful in the past in obtaining financing, there can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

Realization values may be substantially different from carrying values as shown. These consolidated financial statements do not include any adjustments that would be necessary to the carrying values and classifications of assets and liabilities should the Company be unable to continue as a going concern.

2 Basis of preparation

a) Statement of compliance

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

2 Basis of preparation (continued)

b) Basis of measurement

These consolidated financial statements have been prepared under the historical cost basis, except for certain financial instruments which are stated at their fair values. These consolidated financial statements have been prepared under the accrual basis of accounting, except for cash flow information.

c) Approval of the Financial Statements

These consolidated financial statements were approved and authorized for issue by the Board of Directors on May 21, 2021.

d) Basis of Consolidation

These consolidated financial statements include the financial statements of the Company and its wholly-owned subsidiary, Northern Dominion Metals Corporation ("NDMC") incorporated on October 4, 2019 under the laws of the province of British Columbia, Canada. NDMC was acquired by the Company on November 17, 2020 (Note 5).

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiary are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany transactions and balances have been eliminated.

3 Significant Accounting Policies

The accounting policies set out below have been applied consistently in the consolidated financial statements.

Mineral exploration and evaluation assets

i) Exploration and Evaluation

Staking costs, property option payments, finders' fees and other costs associated with acquiring exploration and evaluation assets are capitalized and classified as intangible exploration and evaluation assets, whereas exploration and evaluation expenditures are recognized as expenses in the year in which they are incurred. Exploration and evaluation expenditures include costs of equipment rental, geological consulting services and technical reporting.

Subsequent recovery of the resulting carrying value of capitalized costs depends on successful development or sale of the undeveloped project. If a project does not prove viable, all non-recoverable costs associated with the project net of any impairment provisions are written off.

3 Significant Accounting Policies (continued)

Mineral exploration and evaluation assets (continued)

ii) Development

Upon completion of a technical feasibility study and when commercial viability is demonstrated, capitalized exploration and evaluation assets are transferred to and classified as mineral property development costs and are subject to an impairment test. Costs associated with the commissioning of new assets incurred in the period before they are operating in the way intended by management are capitalized. Development costs are net of the proceeds of the sale of metals from ore extracted during the development phase. Interest on borrowings related to the construction and development of assets are capitalized until substantially all the activities required to make the asset ready for its intended use are complete.

Mineral property interests are derecognized upon disposal or when no future economic benefits are expected. Gains and losses on disposal are determined by comparing the proceeds from disposal with the carrying amount of the item and are recognized in profit or loss.

iii) Impairment

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

When a project is deemed to no longer have commercially viable prospects to the Company, capitalized exploration and evaluation assets in respect of that project are deemed to be impaired. As a result, those capitalized exploration and evaluation assets, in excess of estimated recoveries, are written off to profit or loss.

Under IFRS 6 Exploration for and Evaluation of Mineral Resources, one or more of the following facts and circumstances indicate that an entity should test mineral exploration and evaluation assets for impairment:

i. The period for which the entity has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed.
ii. Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned.
iii. Exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area.
iv. Sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

Any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

3 Significant Accounting Policies (continued)

Cash

Cash consist of amounts held in banks.

Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates. The functional and presentation currency of the Company and its subsidiary is the Canadian dollar.

Foreign currency translation

Transactions in foreign currencies are translated to the functional currency of each entity at a rate of exchange approximating the prevailing rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate in effect at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Realized and unrealized exchange gains and losses are recognized in profit or loss.

On consolidation, the assets and liabilities of foreign operations are translated into Canadian dollars at the rate of exchange prevailing at the reporting date and their statements of income (loss) are translated at the average exchange rates for the reporting period. The exchange differences arising on consolidation are recognized in other comprehensive income or loss. On disposal of a foreign operation, the component of other comprehensive income or loss relating to that particular foreign operation is reclassified to profit or loss.

Provisions

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Changes in closure and reclamation estimates are accounted for as a change in the corresponding capitalized cost. Costs of rehabilitation projects for which a provision has been recorded are recorded directly against the provision as incurred.

At each financial reporting date presented, the Company has not incurred any decommissioning costs related to the mineral exploration and evaluation assets, and accordingly, no provision has been recorded for such site reclamation or abandonment.

3 Significant Accounting Policies (continued)

Financial instruments

Non-Derivative Financial Assets

Cash, the Company's only financial asset, is recognized initially at fair value. Subsequent to initial recognition it is measured at amortized cost using the effective interest method.

Non-Derivative Financial Liabilities

Financial liabilities are recognized initially on the trade date at which the Company becomes a party to the contractual provisions of the instrument. Financial liabilities that are not designated at FVTPL are initially measured at fair value plus or minus any directly attributable transaction costs. Subsequent to initial recognition these financial liabilities are measured at amortized cost using the effective interest method. Financial assets and liabilities are offset and the net amount presented in the consolidated statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously. The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled or expire.

Accounts payable and accrued liabilities and promissory notes payable are recognized initially at fair value and are subsequently measured at amortized cost using the effective interest method.

Equity issuances

The proceeds from equity issuances are allocated between common shares and common share purchase warrants based on the residual value method. Under this method, the proceeds are allocated to share capital based on the fair value of the common shares and any residual value is allocated to common share purchase warrants.

3 Significant Accounting Policies (continued)

Share-based compensation

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument on the date of grant using the Black-Scholes option pricing model. The grant date fair value is recognized in net loss over the vesting period, described as the period during which all the vesting conditions are satisfied.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in net loss, unless they are related to the issuances of shares. Amounts related to the issuances of shares are recorded as a reduction of share capital. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is determined using the Black-Scholes option pricing model. The fair value of direct awards of stock is determined by the quoted market price of the Company's stock. The amount recognized as expense is adjusted to reflect the number of stock options expected to vest. For both employees and non-employees, where the terms and conditions are modified before they vest, the increase in the fair value of the options, measured immediately before and after modification, is also charged to share-based compensation in net loss over the remaining vesting period.

All equity-settled share-based payments are reflected in reserve until exercised. Upon exercise, shares are issued from treasury and the amount reflected in reserve is credited to share capital, adjusted for any consideration paid. Amount recorded in reserve for unexercised share options remain in reserve upon their expiry or cancellation.

Where a grant of options is cancelled and settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

Basic and diluted loss per share

Basic loss per share is computed by dividing the loss for the period by the weighted average number of common shares outstanding during the period. Diluted loss per share reflects the potential dilution that could occur if potentially dilutive securities were exercised or converted to common shares. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method. Diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred.

Flow through shares

The Company finances a portion of its exploration activities through the issue of flow-through shares.

The Company provides certain share subscribers with a flow-through component for tax incentives available on qualifying Canadian exploration expenditures. The Company renounces the qualifying expenditures upon issuance of the respective flow-through common shares, and accordingly, is not entitled to the related taxable income deductions for such expenditures, giving rise to taxable temporary differences for accounting purposes. A portion of the deferred income tax assets that were not recognized in previous years are recognized as recovery of income taxes in the consolidated statement of loss and comprehensive loss.

3 Significant Accounting Policies (continued)

Flow through shares (continued)

The shares issued require that the Company make certain qualifying expenditures for tax purposes within two years of issuance, the deduction of which flow through to the shareholders.

The proceeds from issuing flow-through shares are allocated between the offering of shares and the sale of tax benefits. The allocation is based on the difference ("premium") between the quoted price of the Company's existing shares and the amount the investor pays for the actual flow-through shares. A liability is recognized for the premium ("other liability") and is reversed into net loss as a deferred tax recovery when the eligible expenditures are incurred, and the Company has enough available unused deductible tax differences. If the flow-through shares are not issued at a premium, a liability is not recorded.

Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the consolidated statement of loss and comprehensive loss. Current tax expense (recovery) is the expected tax payable on the taxable income (loss) for the year, using tax rates enacted or substantively enacted at period-end, adjusted for amendments to tax payable with regard to previous years.

Deferred income tax is provided on all temporary differences at the Consolidated Statement of Financial Position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled by the parent, investor or venturer and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax assets and unused tax losses can be utilized, except

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and.

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income taxes are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

3 Significant Accounting Policies (continued)

Income taxes (continued)

The carrying amount of deferred income tax assets is reviewed at each Consolidated Statement of Financial Position date and recognized to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Consolidated Statement of Financial Position date.

Critical accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses.

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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty that have a significant risk of resulting in material adjustments to the consolidated financial statements.

<u>Decommissioning liabilities</u>

Rehabilitation provisions have been created based on the Company's internal estimates. Assumptions, based on the current economic environment, have been made that management believes are a reasonable basis upon which to estimate the future liability. These estimates take into account any material changes to the assumptions that occur when reviewed regularly by management. Estimates are reviewed annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from year to year. Actual rehabilitation costs will ultimately depend on future market prices for the rehabilitation costs, which will reflect the market condition at the time the rehabilitation costs are actually incurred.

The final cost of the currently recognized rehabilitation provisions may be higher or lower than currently provided for. As at January 31, 2021, the Company has no known rehabilitation requirements, and accordingly, no provision has been made.

3 Significant Accounting Policies (continued)

Critical accounting judgments and estimates (continued)

Recoverability of capitalized mineral exploration and evaluation assets

The Company capitalizes mineral property acquisition costs that are to be amortized when production is attained or the balance thereof written off should the property be disproven through exploration or abandoned. The carrying value of the Company's capitalized mineral property costs is reviewed by management at least annually, or whenever events or circumstances indicate that its carrying value may not be recovered. If impairment is determined to exist, a formal estimate of the recoverable amount is performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount. The recoverable amount of an asset is measured at the greater of: fair value less costs to sell and value in use.

Share-based compensation

The Company uses Black-Scholes to calculate the fair value of stock options, Agent's options, and Agent's common share purchase warrants issued. Black Scholes requires the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options, Agent's options, and Agent's common share purchase warrants. The assumptions used for estimating fair value of stock options, Agent's options, and Agent's common share purchase warrants are disclosed in Note 7.

Critical judgments in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements within the next fiscal year are discussed below.

Income taxes

Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes liabilities and contingencies for anticipated tax audit issues based on the Company's current understanding of the tax law. For matters where it is probable that an adjustment will be made, the Company records its best estimate of the tax liability including the related interest and penalties in the current tax provision. Management believes they have adequately provided for the probable outcome of these matters; however, the final outcome may result in a materially different outcome than the amount included in the tax liabilities. In addition, the Company recognizes deferred tax assets relating to tax losses carried forward to the extent that it is probable that taxable profit will be available against which a deductible temporary difference can be utilized. This is deemed to be the case when there are sufficient taxable temporary differences relating to the same taxation authority and the same taxable entity that are expected to reverse in the same year as the expected reversal of the deductible temporary difference, or in years into which a tax loss arising from the deferred tax asset can be carried back or forward. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

3 Significant Accounting Policies (continued)

Critical accounting judgments and estimates (continued)

Going concern risk assessment

The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon its ability to fund its existing acquisition and exploration commitments on its exploration and evaluation projects when they come due, which would cease to exist if the Company decides to terminate its commitments, and to cover its operating costs. The Company may be able to generate working capital to fund its operations by the sale of its exploration and evaluation assets or raising additional capital through equity markets. However, there is no assurance it will be able to raise funds in the future. These consolidated financial statements do not give effect to any adjustments 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 the accompanying consolidated financial statements.

Acquisition of NDMC

The Company's acquisition of NDMC has been determined to be an asset acquisition as NDMC does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of NDMC has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on the relative fair values.

The Company's application of the recognition principle may result in recognizing some assets (often intangible) and liabilities that the acquiree had not previously recognized as assets and liabilities in its financial statements. One of the most significant areas of estimation and judgment relates to the recognition of the additional mineral exploration and evaluation assets.

Recent Accounting Pronouncements

The Company adopted the Amendments to IFRS 3, Business Combinations on February 1, 2020. The adoption had no impact on the Company's consolidated financial statements.

Amendments to IFRS 3, Business Combinations, assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. It amends the definition of a business to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and it excludes returns in the form of lower costs and other economic benefits.

Amendments to IAS 37, Onerous Contracts—Cost of Fulfilling a Contract, specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). These amendments are effective for reporting periods beginning on or after January 1, 2022.

(Expressed in Canadian Dollars)

3 Significant Accounting Policies (continued)

Recent Accounting Pronouncements (continued)

The amendments to IAS 1, Classification of Liabilities as Current or Non-current, provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2023.

The Company has not yet determined the impact of these amendments on its consolidated financial statements.

4 Mineral Exploration and Evaluation Assets

Acquisition Costs Summary

		Tahsis property, BC, Canada		Fuchsite Lake Gold Project, ON, Canada		McVicar Lake Gold Project, Uchi Belt Properties and Dryden Area Project, ON, Canada		Total
Opening balance, as at January 31, 2019 and 2020 (Restated – Note 12)	$	20,000	$	-	$	-	$	20,000
Acquisition of NDMC		-		-		920,840		920,840
Option payment – cash		-		-		212,000		212,000
Option payment – shares		30,000		200,000		1,174,000		1,404,000
Write-off		(50,000)		-		-		(50,000)
Ending Balance, as at January 31, 2021	$	-	$	200,000	$	2,306,840	$	2,506,840

Exploration and Evaluation Expenditures Summary

Year Ended 2021		Tahsis property, BC, Canada		Fuchsite Lake Gold Project, ON, Canada		McVicar Lake Gold Project, Uchi Belt Properties and Dryden Area Project, ON, Canada		Total
Camp and general	$	12,724	$	-	$	2,200	$	14,924
Equipment rental		3,630		-		-		3,630
Geological and geophysical		53,100		42,792		105,341		201,233
Technical reporting		1,500		-		-		1,500
Total exploration and evaluation costs	$	70,954	$	42,792	$	107,541	$	221,287

(Expressed in Canadian Dollars)

4 Mineral Exploration and Evaluation Assets (continued)

Exploration and Evaluation Expenditures Summary (continued)

Year Ended 2020		Tahsis property, BC, Canada
Geological and geophysical	$	23,093
Technical reporting		400
Total exploration and evaluation costs	$	23,493

Tahsis Property, British Columbia, Canada

On December 6, 2017, the Company entered into an option agreement with Qualitas Holdings Corp. ("Qualitas") to acquire a 100% interest in the Tahsis property located in British Columbia. As part of the agreement, the Company is required to make cash payments, issue common shares of the Company and make exploration expenditures according to the following schedule:

Date	Common Shares	Cash Payments	Exploration Expenditures
On execution of the Option Agreement	Nil	$20,000 (paid)	Nil
On July 21, 2020	150,000 (issued)	Nil	Nil
First anniversary of the Approval Date	125,000	Nil	$100,000
Second anniversary of the Approval Date	125,000	Nil	$150,000
TOTAL	**400,000**	**$20,000**	**$250,000**

Qualitas will retain a 3% net smelter returns (“NSR”) in the property, of which up to 2% can be purchased by the Company for $1,000,000 per 1% upon commercial production being achieved on the property.

Subsequent to the year ended January 31, 2021, the Company decided not to continue funding Tahsis property; therefore, $50,000 of capitalized costs was written off as at January 31, 2021.

(Expressed in Canadian Dollars)

4 Mineral Exploration and Evaluation Assets (continued)

Fuchsite Lake Gold Project, Ontario, Canada

On September 3, 2020, the Company entered into a definitive property option agreement (the "Option Agreement") with Ethos Gold Corp. ("Ethos Gold"). Pursuant to the Option Agreement, the Company and Ethos Gold intend to cooperate in the development of Fuchsite Lake Gold Project (the "Project"), located in Ontario. Under the terms of the Option Agreement, the Company has been granted the right to acquire up to a sixty percent interest in the Project from Ethos Gold in consideration for completing a series of cash payments totaling $300,000, issuing a total of 2,000,000 common shares (the "Option Shares"), and incurring expenditures on the Project of at least $1,950,000. As part of the agreement, the Company is required to make cash payments, issue common shares of the Company and make exploration expenditures according to the following schedule:

Date	Option Shares	Cash Payments	Exploration Expenditures
On execution of the Option Agreement ("Effective date")	500,000 (issued)	Nil	Nil
On December 31, 2020	Nil	Nil	$100,000 (To be deferred to December 31, 2022)
First anniversary of the Effective date	500,000	$75,000	Nil
On December 31, 2021	Nil	Nil	$350,000 (To be deferred to December 31, 2022)
Second anniversary of the Effective date	500,000	$75,000	Nil
On December 31, 2022	Nil	Nil	$750,000
Third anniversary of the Effective date	500,000	$75,000	Nil
On December 31, 2023	Nil	Nil	$750,000
Fourth anniversary of the Effective date	Nil	$75,000	Nil
TOTAL	**2,000,000**	**$300,000**	**$1,950,000**

Following completion of the required cash payments, issuance of the Option Shares and satisfaction of the expenditures, the Company will hold a 60% interest in the Project, subject to a 2% NSR royalty in favour of Ethos Gold. One-half of the royalty can be acquired for a one-time cash payment of $1,000,000.

(Expressed in Canadian Dollars)

4 Mineral Exploration and Evaluation Assets (continued)

McVicar Lake Gold Project, Uchi Belt Properties and Dryden Area Project

a) McVicar Lake Gold Project

i) Lang Lake Property

On May 15, 2020, NDMC entered into a property option agreement with 1544230 Ontario Inc. and Gravel Ridge Resources Ltd to acquire 100% interest of Lang Lake Property, located in Northwestern Ontario.

As part of the agreement, the Company is required to make cash payments, issue common shares of NDMC and make exploration expenditures according to the following schedule:

Date	Common Shares	Cash Payments
On execution of the Option Agreement ("Effective date")	400,000 NDMC shares (issued)	$10,000 (paid)
First anniversary of the Effective Date	250,000 NDMC shares (issued)	$10,000
Second anniversary of the Effective Date	Nil	$16,000
Third anniversary of the Effective Date	Nil	$25,000
TOTAL	**650,000**	**$61,000**

The Lang Lake Property has a 1.5% NSR that can be reduced to 0.75% NSR with a payment of $500,000.

ii) McVicar Lake Property

On May 15, 2020, NDMC entered into a property option agreement with 1544230 Ontario Inc., Bounty Gold Corp. and Gravel Ridge Resources Ltd to acquire 100% interest of McVicar Lake Property, located in Northwestern Ontario.

As part of the agreement, the Company is required to make cash payments, issue common shares of NDMC and make exploration expenditures according to the following schedule:

Date	Common Shares	Cash Payments
On execution of the Option Agreement ("Effective date")	300,000 NDMC shares (issued)	$20,000 (paid)
First anniversary of the Effective Date	300,000 NDMC shares (issued)	$20,000
Second anniversary of the Effective Date	Nil	$30,000
Third anniversary of the Effective Date	Nil	$45,000
TOTAL	**600,000**	**$115,000**

The McVicar Lake Property has a 1.5% NSR that can be reduced to 0.75% NSR with a payment of $500,000.

(Expressed in Canadian Dollars)

4 Mineral Exploration and Evaluation Assets (continued)

a) McVicar Lake Gold Project (continued)

ii) McVicar Lake Property (continued)

On November 10, 2020, the Company entered into a Mineral Property Acquisition Agreement (the "Option Agreement") with Argo Gold Inc. ("Argo Gold") to acquire 100% interest of McVicar Lake Property (the "Project"), located in Northwestern Ontario. In consideration of the acquisition, the Company issued 2,500,000 common shares valued at $860,000 (Note 7) ("Consideration Shares") and paid $200,000 cash to Argo Gold on November 13, 2020. Following the completion of the required issuance of the Consideration Shares, the Company shall grant a 2% NSR royalty in favour of Argo Gold. 1% of the royalty can be acquired for a one-time cash payment of $1,000,000.

On November 20, 2020, the Company entered into a mineral property acquisition agreement with Robert Carpenter (the "Vendor") to acquire a 100% interest in additional mineral claims located in the Company's existing McVicar Lake Gold Project, located in Northwestern Ontario. In consideration of the acquisition, the Company issued 1,000,000 common shares valued at $314,000 to a group of arm's-length parties including the Vendor on November 27, 2020 (Note 7) and paid $12,000 cash to the Vendor on December 4, 2020.

b) Uchi Belt Properties and Dryden Area Project

The Uchi Belt Properties comprise of i) Shabu Lake Property, ii) Maskooch Property, iii) Dent/Jackson-Manion Property and iv) Ear Falls Property. The Dryden Area Project comprises of Manitou Fault Property.

The Company acquired a portfolio of property options in Northern Ontario from its acquisition of NDMC. The following are the Company's obligations to complete its earn-in option to fully acquire the properties:

Cash payment schedule for November on each annum:					
Calendar Year	Shabu Lake Property	Maskooch Property	Dent/Jackson-Manion Property	Ear Falls Property	Manitou Fault Property
2021	$ 16,000	$ 16,000	$ 16,000	$ 10,000	$ 20,000
2022	$ 20,000	$ 20,000	$ 20,000	$ 12,000	$ 25,000
2023	$ 25,000	$ 25,000	$ 25,000	$ 20,000	$ 30,000

All properties have a 1.5% NSR that can be reduced to 0.75% NSR with additional payment of $500,000 each.

(Expressed in Canadian Dollars)

5 Acquisition of NDMC

On October 30, 2020, the Company and Northern Dominion Metals Corporation ("NDMC") and each of its shareholders entered into a definitive share purchase agreement, whereby the company agreed to acquire all of the outstanding share capital of NDMC (the "Acquisition"). NDMC is a privately-held mineral exploration company which holds rights to acquire interests in a series of gold exploration projects located in Northwestern Ontario, Canada. The Acquisition closed on November 17, 2020.

In consideration for the Acquisition, the Company issued 2,500,004 common shares with a value of $860,002 for all of the issued and outstanding shares of NDMC. Transaction costs associated with the Acquisition included $53,000 cash payment in option payment pursuant to the share purchase agreement and $7,838 legal costs.

This acquisition was recorded as an asset acquisition with the net purchase price being allocated to the assets acquired and liabilities assumed as follows:

Considerations:		
Fair value of 2,500,004 common shares issued	$	860,002
Transaction costs		60,838
	$	920,840
Allocated to the net assets acquired:		
Cash	$	7,000
Accounts payable and accrued liabilities		(7,000)
Mineral exploration and evaluation assets		920,840
	$	920,840

6 Promissory Note Payable

During the year ended January 31, 2020, the Company received $15,000 of promissory notes from various shareholders. The notes bear simple interest at a rate of 5% per annum, payable on maturity with a maturity date of October 1, 2022.

During the year ended January 31, 2021, the Company received $30,000 of promissory notes from various shareholders which have simple interest at a rate of 5% per annum, payable on maturity with a maturity date being April 20, 2021.

On October 22, 2020, the Company fully repaid all $45,000 in promissory notes.

(Expressed in Canadian Dollars)

7 Share Capital

	Number of Shares	Share Capital	Reserves		
			Options	Agent's Options	Warrants
Balance, January 31, 2020	3,500,000	$ 102,500	$ -	$ -	$ -
IPO shares	4,600,000	460,000	-	-	-
Shares issued for acquisition of exploration and evaluation assets (Note 4)	4,150,000	1,404,000	-	-	-
Shares issued for acquisition of NDMC (Note 5)	2,500,004	860,002	-	-	-
Private Placements	12,213,703	3,679,070	-	-	-
IPO share issuance costs	-	(120,488)	-	-	-
Share issuance costs	-	(481,626)	-	-	-
Flow-through liability	-	(104,274)	-	-	-
Fair value of Agent's options	-	(261,111)	-	261,111	-
Fair value of finders' warrants	-	(150,000)	-	-	150,000
Exercise of warrants	337,500	33,750	-	-	-
Exercise of Agent's options	347,000	34,700	-	-	-
Fair value of Agent's options exercised	-	29,336	-	(29,336)	-
Exercise of options	18,750	3,750	-	-	-
Fair value of options exercised	-	69	(69)	-	-
Share-based compensation	-	-	358,352	-	-
Balance, January 31, 2021	27,666,957	$ 5,489,678	$ 358,283	$ 231,775	$ 150,000

a) Authorized

Unlimited common shares, without par value.

b) Issued

<u>Share transactions for the year ended January 31, 2021;</u>

On July 13, 2020, the Company completed an IPO of 4,600,000 common shares at a price of $0.10 per common share for gross proceeds of $460,000. Upon completion of the IPO, Haywood Securities Inc. (the "Agent") received:

(i) a cash commission of $36,800;

(ii) Agent's options equal to 8% of the number of common shares issued in the IPO, being 368,000, with an exercise price of $0.10 per common share expiring on July 13, 2022 valued at $31,111;

(iii) a corporate finance fee of $32,500 paid in cash; and

(iii) reimbursement for expenses, including legal fees, third-party expenses and out of pocket expenses, totalling $51,188.

7 Share Capital (continued)

b) Issued (continued)

Share transactions for the year ended January 31, 2021 (continued);

On July 21, 2020, the Company issued 150,000 common shares to Qualitas as part of an option agreement (Note 4), value at $30,000.

On October 1, 2020, the Company completed a non-brokered private placement of 7,000,000 units at $0.25 per unit for gross proceeds of $1,750,000. Each unit consisted of one common share and one half common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at $0.40 per share until October 1, 2022. The Company paid finders' fee of $119,800, issued 469,200 finders' warrants valued at $150,000 and incurred $16,598 share issuance costs relating to the private placement. Each finder's warrant entitles the holder to purchase an additional common share at $0.40 per share until October 1, 2022. Of the cash proceeds received from common shares, $1,750,000 was allocated to share capital and $Nil was allocated to warrants.

On October 5, 2020, the Company issued 500,000 common shares to Ethos Gold as part of an option agreement (Note 4), valued at $200,000.

On November 13, 2020, the Company issued 2,500,000 common shares to Argo Gold as part of a mineral property acquisition agreement (Note 4), valued at $860,000 with discount calculated using the average strike put-option model on share issuance date considering certain restrictions on resale.

On November 17, 2020, the Company issued 2,500,004 common shares with a value of $860,002 to acquire all of the issued and outstanding shares of NDMC, pursuant to a definitive share purchase agreement dated October 30, 2020 (Note 5).

On November 27, 2020, the Company issued 1,000,000 common shares to a group of arm's-length parties including Robert Carpenter as part of a mineral property acquisition agreement (Note 4), valued at $314,000 with discount calculated using the average strike put-option model on share issuance date considering certain restrictions on resale.

On December 23, 2020, the Company completed a non-brokered private placement of 5,213,703 flow-through units at $0.37 per unit for gross proceeds of $1,929,070. Each flow-through unit is comprised of one flow-through common share and one-half warrant. Each warrant entitles the holder to purchase one additional common share for three years at $0.46 per share. In relation to the private placement, the Company paid finders' fees of $154,326, paid share issue costs of $190,902, and issued 417,096 agents' compensation options valued at $230,000. Each agent's compensation option entitles the holder to purchase one common share and one-half warrant at $0.37 until December 23, 2023. Each warrant from the exercise of agent's compensation option entitles the holder to purchase one common share at $0.46 until December 23, 2023.

Of the cash proceeds received from the flow-through shares, $1,824,796 was allocated to share capital, $Nil was allocated to warrants, and $104,274 was allocated to flow-through liability.

(Expressed in Canadian Dollars)

7 Share Capital (continued)

b) Issued (continued)

Share transactions for the year ended January 31, 2021 (continued);

During the year ended January 31, 2021, 18,750 stock options were exercised for gross proceeds of $3,750. The fair value of the stock options exercised was $69 and was transferred to share capital upon exercise.

During the year ended January 31, 2021, 347,000 agent's options were exercised for gross proceeds of $34,700. The fair value of the stock options exercised was $29,336 and was transferred to share capital upon exercise.

During the year ended January 31, 2021, 337,500 common shares were issued from the exercise of warrants for gross proceeds of $33,750.

Share transactions for the year ended January 31, 2020;

On April 16, 2019, the Company consolidated its issued and outstanding common shares on the basis of one new share of every two existing shares, resulting in 3,500,000 post-consolidated common shares issued and outstanding. The Company issued 1,750,000 common share purchase warrants to all existing shareholders in connection with the share consolidation. Each warrant entitles the holder to purchase one common share until April 16, 2021 at $0.10 per share subject to certain acceleration provision. Unless otherwise indicated, all references to share capital presented in these financial statements and notes thereto are on a post-consolidation basis.

c) Stock Options

The Company has a rolling share option plan, which authorizes the Board of Directors to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option may not be less than market price of the Company's shares calculated on the date of the grant less the applicable discount. The options can be granted for a maximum term of 10 years. The Company's share option plan contains no vesting requirements, but permits the Board of Directors to specify a vesting schedule at its discretion.

Details of activity in stock options for the year ended January 31, 2021:

January 31, 2020	Granted	Exercised	January 31, 2021	Exercisable at January 31, 2021	Weighted Average Exercise Price	Expiry Date
-	825,000	(18,750)	806,250	393,750	$0.20	July 27, 2022
-	780,000	-	780,000	780,000	$0.50	November 16, 2022
-	1,605,000	(18,750)	1,586,250	1,173,750	$0.35	

During the year ended January 31, 2021, the weighted average trading price on the days options were exercised is $0.42.

(Expressed in Canadian Dollars)

7 Share Capital (continued)

c) Stock Options (continued)

On July 27, 2020, the Company granted to its directors, officers and consultants 825,000 stock options with an exercise price of $0.20 per share expiring on July 27, 2022. 25% of the options vested on October 27, 2020 and 25% of the options will vest every three months thereafter. The fair value of $106,427 that vested as at January 31, 2021 was recorded as share-based compensation in profit or loss and included in reserves.

On November 16, 2020, the Company granted to its directors, officers and consultants 780,000 stock options with an exercise price of $0.50 per share expiring on November 16, 2022. The fair value of $251,925 that fully vested on the grant date was recorded as share-based compensation in profit or loss and included in reserves.

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of options issued in the year ended January 31, 2021:

Share price	$0.30
Risk-free interest rate	0.28%
Expected life of options	1.81 years
Expected annualized volatility	197.01%
Expected dividend rate	0%

Volatility is calculated based on historical volatilities of three similar peer companies.

There were no stock option activities during the year ended January 31, 2020.

d) Agent's Options

Details of activity in agent's options for the year ended January 31, 2021:

January 31, 2020	Granted	Exercised	January 31, 2021	Weighted Average Exercise Price	Expiry Date
-	368,000	(347,000)	21,000	$0.10	July 13, 2022
-	417,096	-	417,096	$0.37	December 23, 2023
-	785,096	(347,000)	438,096	$0.36	

On July 13, 2020, the Company granted to its Agents 368,000 compensation options with an exercise price of $0.10 per share expiring on July 13, 2022. The fair value of $31,111 that fully vested on the grant date was recorded as share issuance costs and included in reserves.

On December 23, 2020, the Company granted to its Agents 417,096 compensation options with an exercise price of $0.37 per share expiring on December 23, 2023. Each agent's compensation option entitles the holder to purchase one common share and one-half warrant at $0.37 until December 23, 2023. Each warrant from the exercise of agent's compensation option entitles the holder to purchase one common share at $0.46 until December 23, 2023. The fair value of $230,000 that fully vested on the grant date was recorded as share issuance costs and included in reserves.

(Expressed in Canadian Dollars)

7 Share Capital (continued)

d) Agent's Options (continued)

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of options issued in the year ended January 31, 2021:

Share price	$0.23
Risk-free interest rate	0.24%
Expected life of options	2.53 years
Expected annualized volatility	196.66%
Expected dividend rate	0%

Volatility is calculated based on historical volatilities of three similar peer companies.

There were no agent's option activities during the year ended January 31, 2020.

e) Share purchase warrants

Details of share purchase warrants activity for the years ended January 31, 2021 and 2020 are as follows:

January 31, 2020	Granted	Exercised	January 31, 2021	Weighted Average Exercise Price	Expiry Date
1,750,000	-	(337,500)	1,412,500	$0.10	April 16, 2021
-	3,969,200	-	3,969,200	$0.40	October 1, 2022
-	2,606,852	-	2,606,852	$0.46	December 23, 2023
1,750,000	6,576,052	(337,500)	7,988,552	$0.37	

January 31, 2019	Granted	Exercised	January 31, 2020	Weighted Average Exercise Price	Expiry Date
-	1,750,000	-	1,750,000	$0.10	April 16, 2021

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of finder's warrants issued in the year ended January 31, 2021:

Share price	$0.36
Risk-free interest rate	0.23%
Expected life of warrants	2.31 years
Expected annualized volatility	208.02%
Expected dividend rate	0%

Volatility is calculated based on historical volatilities of three similar peer companies.

(Expressed in Canadian Dollars)

7 Share Capital (continued)

f) Flow-through share liability

The following is a continuity of the liability portion of the flow-through share issuances:

Balance, January 31, 2020	$	-
Flow-through premium liability additions		104,274
Settlement of flow-through premium liability pursuant to qualifying expenditures		(3,200)
Balance, January 31, 2021	$	101,074

During the year ended January 31, 2021, the Company raised a total of $1,929,070 through the issuance of flow-through shares, resulting in a total flow-through share liability of $104,274. $59,184 of these funds had been spent on qualifying flow-through exploration expenditures; therefore, $3,200 of the flow-through liability has been recognized in other income in the year ended January 31, 2021. The remaining $1,869,886 should be spent on qualifying flow-through exploration expenditures by December 31, 2022.

g) Escrow shares

Pursuant to an escrow agreement dated March 21, 2018, 1,250,000 common shares were placed in escrow. 10% of the escrowed shares were released from escrow upon completion of the IPO on July 13, 2020, and 15% of the shares are released from escrow every 6 months thereafter. As at January 31, 2021, there were 937,500 common shares remaining in escrow.

8 Related Party Transactions

Key management personnel consist of directors and senior management including the President, Chief Executive Officer, Corporate Secretary, Vice President of Exploration and Chief Financial Officer. Key management personnel compensation for the years ended January 31, 2021 and 2020 includes:

	2021	2020
Rent	$ 3,000	$ -
Management and director fees	112,975	-
Share-based compensation expense	139,545	-
	$ 255,520	$ -

The accounts payable and accrued liabilities of the Company include amounts due to related parties. The amounts owing are interest free, unsecured, current and without fixed terms and are as follows:

	January 31, 2021	January 31, 2020
Key management personnel	$ 32,124	$ -

9 Financial Instrument

Determination of Fair Value

Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Fair Value Hierarchy:

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in Levels 1 to 3 based on the degree to which the fair value is observable:

Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.

Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.

Level 3 – Applies to assets or liabilities for which there are unobservable market data.

The fair value hierarchy level at which a fair value measurement is categorized is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety.

Financial risk factors

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

Credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with major financial institutions.

Interest rate risk

The Company is exposed to interest rate risk to the extent that the cash maintained at the financial institutions is subject to floating rate of interest. The interest rate risks on cash and on the Company's obligations are not considered significant.

Liquidity risk

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal period. The Company intends to settle these with funds from its working capital and funds raised subsequent to the year ended January 31, 2021. At January 31, 2021, the Company had $1,959,875 working capital.

(Expressed in Canadian Dollars)

9 Financial Instrument (continued)

Financial risk factors (continued)

Price risk

The Company's ability to raise the capital required to fund exploration or development activities is subject to risk associated with the market price of gold and base metals and the outlook for these commodities.

10 Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company manages its capital structure and makes adjustments to it in light of changes in economic and financial market conditions. The Company considers its capital structure to include shareholders' equity and working capital. In order to maintain or adjust the capital structure, the Company may issue shares and adjust its spending to manage current and projected cash levels.

There had been no change to the Company's approach to capital management during the year ended January 31, 2021. The Company is not subject to externally imposed capital requirements.

11 Income Taxes

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

	Year ended January 31, 2021	Year ended January 31, 2020
Loss before income taxes	$ (1,557,397)	$ (91,213)
Statutory income tax rates	27%	27%
Expected tax recovery	$ (420,497)	$ (24,628)
Non-deductible items	96,046	-
Tax benefits not recognized	324,451	24,628
Total current and deferred income tax recovery	$ -	$ -

(Expressed in Canadian Dollars)

11 Income Taxes (continued)

A summary of the Company's unrecognized deferred tax assets:

	Year ended January 31, 2021	Year ended January 31, 2020
Non-capital loss carryforward	$ 324,000	$ 40,000
Mineral exploration and evaluation assets	73,000	16,000
Financing costs	130,000	-
Total unrecognized deferred tax assets	$ 527,000	$ 56,000

As at January 31, 2021, the Company had non-capital losses of approximately $1,200,000 which may be carried forward to reduce taxable income in future years, if not utilized, these losses will expire between 2038 and 2041.

As at January 31, 2021, the Company has unrecognized deferred tax liabilities of approximately $117,000 (2020 - $nil) due to temporary differences arising on the initial recognition of the acquisition of all of the issued and outstanding common shares of NDMC.

12 Change In Accounting Policy

Effective November 1, 2020, the Company voluntarily changed its accounting policy for its exploration and evaluation expenditures, excluding acquisition costs, to recognize these costs in the consolidated statement of loss and comprehensive loss in the period incurred, as permitted under IFRS 6 *Exploration for and Evaluation of Mineral Resources*. The previous accounting policy was to capitalize direct exploration and evaluation expenditures and the related acquisition costs as an asset on the Company's consolidated statement of financial position. Tax credits were applied to reduce related exploration and evaluation assets in the period recognized. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, were expensed in the year in which they occurred. The Company has determined that such voluntary change in accounting policy results in consolidated financial statements providing more relevant information as well as bringing the Company in line with a similar accounting policy adopted by its peers.

The new accounting policy (Note 3) to expense exploration and evaluation expenditures has been applied retrospectively.

(Expressed in Canadian Dollars)

12 Change In Accounting Policy (continued)

The impacts of this change in accounting policy in the consolidated financial statements are set out below:

Consolidated Statements of Financial Position

As at January 31, 2019		As Previously Reported		Effect of Change in Accounting Policy		As Restated Under the New Policy
Mineral exploration and evaluation assets	$	53,316	$	(33,316)	$	20,000
Deficit	$	(81,095)	$	(33,316)	$	(114,411)
As at January 31, 2020						
Mineral exploration and evaluation assets	$	76,809	$	(56,809)	$	20,000
Deficit	$	(148,815)	$	(56,809)	$	(205,624)

Consolidated Statements of Loss and Comprehensive Loss

For the Year Ended January 31, 2020		As Previously Reported		Effect of Change in Accounting Policy		As Restated Under the New Policy
Exploration and evaluation costs	$	-	$	(23,493)	$	(23,493)
Net loss for the year	$	(67,720)	$	(23,493)	$	(91,213)
Basic and diluted loss per share	$	(0.02)	$	(0.01)	$	(0.03)

13 Subsequent Events

Subsequent to January 31, 2021, 1,412,500 common shares were issued from the exercise of warrants for gross proceeds of $141,250.

On April 20, 2021, the Company completed a non-brokered private placement of 4,737,500 units at $0.20 per unit for gross proceeds of $947,500. Each unit consisted of one common share and one half common share purchase warrant. Each warrant entitles the holder to purchase an additional common share at $0.30 per share until April 21, 2023. The Company paid finders' fee of $16,100, issued 75,000 finders' fee shares, and issued 155,500 finders' warrants relating to the private placement. Each finder's warrant entitles the holder to purchase an additional common share at $0.30 per share until April 21, 2023.

On April 13, 2021, the Company entered into a Mineral Property Option Agreement (the "Option Agreement") with Gravel Ridge Resources Ltd. and 1544230 Ontario Inc. (the "Vendors") to acquire 100% interest of Lower Manitou Gold Project (the "Project"), located in Ontario. In consideration of the acquisition, the Company is required to complete a series of cash payments totaling $78,000 and issuing a total of 400,000 common shares (the "Option Shares"). On April 22, 2021, the Company issued 200,000 Option shares and paid $26,000 cash to the Vendors. Upon completion of the required cash payment and issuance of the Option Shares, the Company shall grant a 1.5% NSR royalty in favour of the Vendors. 0.5% of the royalty can be acquired for a one-time cash payment of $500,000.