

CROSS RIVER VENTURES CORP
CONDENSED INTERIM FINANCIAL STATEMENTS
THREE MONTHS ENDED APRIL 30, 2021 AND 2020
UNAUDITED – PREPARED BY MANAGEMENT
(EXPRESSED IN CANADIAN DOLLARS)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

Cross River Ventures Corp.
Condensed Interim Statements of Financial Position
As at April 30, 2021 and January 31, 2021 (Unaudited)
(Expressed in Canadian Dollars)

| As at | April 30, 2021 | January 31, 2021 |
|-----------------------------------------------------------|---------------------|---------------------|
| ASSETS | | |
| Current assets | | |
| Cash | \$ 2,311,253 | \$ 1,892,179 |
| Amounts receivable | 17,506 | 61,506 |
| Prepaid expenses | 320,017 | 216,018 |
| | <u>2,648,776</u> | <u>2,169,703</u> |
| Mineral Exploration and Evaluation Assets (Note 4) | <u>2,567,840</u> | <u>2,506,840</u> |
| Total assets | <u>\$ 5,216,616</u> | <u>\$ 4,676,543</u> |
| LIABILITIES | | |
| Current liabilities | | |
| Accounts payable and accrued liabilities | \$ 75,798 | \$ 108,754 |
| Flow-through liability (Note 6) | 95,974 | 101,074 |
| | <u>171,772</u> | <u>209,828</u> |
| SHAREHOLDERS' EQUITY (DEFICIENCY) | | |
| Share capital (Note 6) | \$ 6,414,073 | \$ 5,489,678 |
| Reserves (Note 6) | 918,750 | 740,058 |
| Deficit | (2,287,979) | (1,763,021) |
| | <u>5,044,844</u> | <u>4,466,715</u> |
| Total shareholders' equity | <u>5,044,844</u> | <u>4,466,715</u> |
| Total liabilities and shareholders' equity | <u>\$ 5,216,616</u> | <u>\$ 4,676,543</u> |

Nature of Operations and Going Concern (Note 1)

Approved on behalf of the Board on June 24, 2021

"Dan Placzek" Director

"Kosta Tsoutsis" Director

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

Cross River Ventures Corp.
Condensed Interim Statements of Loss and Comprehensive Loss
For three months ended April 30, 2021 and 2020 (Unaudited)
(Express in Canadian Dollars)

| | Three months ended April 30, 2021 | Three months ended April 30, 2020 |
|-------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| Expenses | | |
| Consulting | 62,787 | - |
| Corporate development | 79,000 | - |
| Exploration and evaluation costs (Note 4) | 94,034 | - |
| Investor relations | 72,676 | - |
| Management fees (Note 7) | 74,475 | - |
| Marketing, conferences and shareholder communications | 95,865 | - |
| Office and administration | 18,464 | 24 |
| Professional fees | 5,551 | - |
| Rent | 6,000 | - |
| Share-based compensation (Notes 6 and 7) | 17,567 | - |
| Transfer agent and filing fees | 4,832 | 500 |
| Total expenses | (531,251) | (524) |
| Interest income | 1,193 | - |
| Other income (Note 6) | 5,100 | - |
| Loss and comprehensive loss for the year | \$ (524,958) | \$ (524) |
| Basic and diluted loss per common share | \$ (0.02) | \$ (0.00) |
| Weighted average number of common shares outstanding | 29,060,994 | 3,500,000 |

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

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

| | Number of Shares* | Share Capital | Reserves | Deficit | Total |
|---------------------------------------------------------------------------|------------------------------|--------------------------|-----------------|----------------|--------------|
| 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 |
| Loss and comprehensive loss for the year | - | - | - | (524,958) | (524,958) |
| Common shares issued for private placements | 4,737,500 | 805,375 | 142,125 | - | 947,500 |
| Common shares issued for acquisition of exploration and evaluation assets | 200,000 | 35,000 | - | - | 35,000 |
| Share issuance costs | 75,000 | (57,230) | 19,000 | - | (38,230) |
| Exercise of warrants | 1,412,500 | 141,250 | - | - | 141,250 |
| Share-based compensation | - | - | 17,567 | - | 17,567 |
| Balance, April 30, 2021 | 34,091,957 | 6,414,073 | 918,750 | \$ (2,287,979) | 5,044,844 |

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

Cross River Ventures Corp.
Condensed Interim Statements of Cash Flows
For the Three Months Ended April 30, 2021 and 2020
(Expressed in Canadian Dollars)

| | Three Months Ended April 30, 2021 | Three Months Ended April 30, 2020 |
|------------------------------------------------------------|--------------------------------------------------|--------------------------------------------------|
| CASH FLOWS PROVIDED BY (USED IN) | | |
| OPERATING ACTIVITIES | | |
| Loss for the period | \$ (524,958) | \$ (524) |
| Items not involving cash: | | |
| Other income | (5,100) | - |
| Share-based compensation | 17,567 | - |
| Change in non-cash operation working capital: | | |
| Change in amounts receivable | 44,000 | - |
| Change in prepaid expenses | (103,999) | - |
| Change in accounts payable and accrued liabilities | (32,956) | (520) |
| Net cash used in operating activities | (605,446) | (1,044) |
| INVESTING ACTIVITIES | | |
| Acquisition of mineral exploration and evaluation assets | (26,000) | - |
| Net cash used in investing activities | (26,000) | - |
| FINANCING ACTIVITIES | | |
| Proceeds from issuance of shares | 947,500 | - |
| Share issuance costs paid | (38,230) | - |
| Proceeds promissory notes, net | - | 10,000 |
| Exercise of warrants | 141,250 | - |
| Net cash provided by financing activities | 1,050,520 | 10,000 |
| Increase (decrease) in cash for the year | 419,074 | 8,956 |
| Cash, beginning of year | 1,892,179 | 802 |
| Cash, end of year | \$ 2,311,253 | \$ 9,758 |
| Supplemental cash flow information: | | |
| Cash received (paid) for interest | \$ 1,193 | \$ - |
| Cash received (paid) for taxes | \$ - | \$ - |
| Non-cash investing and financing information: | | |
| Common shares issued for exploration and evaluation assets | \$ 35,000 | \$ - |
| Fair value of Finders' warrants included in share capital | \$ 19,000 | \$ - |

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

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
For the three months ended April 30, 2021 and 2020
(Expressed in Canadian Dollars)

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 April 30, 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

These condensed interim financial statements were prepared in accordance with International Accounting Standard ("IAS") 34, Interim Financial Reporting. Accordingly, they do not include all of the information and disclosures required by IFRS for annual financial statements. These condensed interim financial statements should be read in conjunction with the Company's annual financial statements for the year ended January 31, 2020 which were prepared in accordance with IFRS as issued by the International Accounting Standards Board ("IASB"). These condensed interim financial statements have been prepared using the same accounting policies and methods of application as the latest annual financial statements.

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
For the three months ended April 30, 2021 and 2020
(Expressed in Canadian Dollars)

2 Basis of preparation (continued)

The financial statements are presented in Canadian dollars. The financial statements of the Company have been prepared on an accrual basis, except for cash flow information, and are based on historical costs, except for certain financial instruments, which are stated at their fair values.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. 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.

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 financial statements within the next financial year include the Company's going concern assessment.

3 Significant Accounting Policies

The Company has reviewed new and revised accounting pronouncements that have been issued but are not yet effective. The Company has not early adopted any of these standards. There were no new accounting pronouncements relevant to the Company's operations issued subsequent to April 30, 2021. For further details please refer to Note 3 of the annual financial statements of the Company for the year ended January 31, 2021.

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
For the three months ended April 30, 2021 and 2020
(Expressed in Canadian Dollars)

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, 2020 | \$ 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 |
| Option payment – cash | - | - | 26,000 | 26,000 |
| Option payment – shares | - | - | 35,000 | 35,000 |
| Ending Balance, as at January 31, 2021 | \$ - | \$ 200,000 | \$ 2,367,840 | \$ 2,567,840 |

Exploration and Evaluation Expenditures Summary

| | Tahsis property, BC, Canada | Fuchsite Lake Gold Project, ON, | McVicar Lake Gold Project, Uchi Belt Properties and Dryden Area Project, ON, Canada | Total |
|-----------------------------------------------------------------------------|--------------------------------------|---------------------------------------------|-------------------------------------------------------------------------------------------------------|-----------|
| Three months ended April 30, 2021 | | | | |
| Geological and geophysical | \$ 11,667 | \$ 36,333 | \$ 43,034 | \$ 91,034 |
| Technical reporting | 3,000 | - | - | 3,000 |
| Total exploration expenditures for the three months ended April 30, 2021 | \$ 14,667 | \$ 36,333 | \$ 43,034 | \$ 94,034 |
| Three months ended April 30, 2020 | | | | |
| Total exploration expenditures for the three months ended April 30, 2020 | \$ - | \$ - | \$ - | \$ - |

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
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(Expressed in Canadian Dollars)

4 Mineral Exploration and Evaluation Assets (continued)

Exploration and Evaluation Expenditures Summary (continued)

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.

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
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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.

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
For the three months ended April 30, 2021 and 2020
(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.

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
For the three months ended April 30, 2021 and 2020
(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 6) (“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 6) 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.

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
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(Expressed in Canadian Dollars)

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 and share payments according to the following schedule:

| Date | Common Shares | Cash Payments |
|---------------------------------------------------------|-------------------------|----------------------|
| On execution of the Option Agreement (“Effective date”) | 200,000 shares (issued) | \$26,000 (paid) |
| First anniversary of the Effective Date | 200,000 shares | \$26,000 |
| Second anniversary of the Effective Date | Nil | \$26,000 |
| TOTAL | 600,000 | \$115,000 |

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.

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 |
| | \$ | <u>920,840</u> |

Allocated to the net assets acquired:

| | | |
|-------------------------------------------|----|----------------|
| Cash | \$ | 7,000 |
| Accounts payable and accrued liabilities | | (7,000) |
| Mineral exploration and evaluation assets | | 920,840 |
| | \$ | <u>920,840</u> |

Cross River Ventures Corp.
Notes to the Condensed Consolidated Financial Statements
For the three months ended April 30, 2021 and 2020
(Expressed in Canadian Dollars)

6 Share Capital

| | Number of Shares | Share Capital | Options | Reserves 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 |
| Shares issued for acquisition of exploration and evaluation assets (Note 4) | 200,000 | 35,000 | - | - | - |
| Private Placements | 4,737,500 | 805,375 | - | - | 142,125 |
| Share issuance costs | 75,000 | (38,230) | - | - | - |
| Fair value of finders' warrants | - | (19,000) | - | - | 19,000 |
| Exercise of warrants | 1,412,500 | 141,250 | - | - | - |
| Share-based compensation | - | - | 17,567 | - | - |
| Balance, April 30 2021 | 34,091,957 | \$ 6,414,073 | \$ 375,850 | \$ 231,775 | \$ 311,125 |

a) Authorized

Unlimited common shares, without par value.

b) Issued

Share transactions for the three months ended April 30, 2021:

On April 20, 2021, the Company issued 4,737,500 units at a price of \$0.20 in a private placement financing. Each unit consisted of one common share and one half share purchase warrant exercisable at \$0.30 per share, expiring two years from the date of issuance. The Company has recorded \$805,375 towards share capital and \$142,125 to the share purchase warrants. In conjunction with the private placement financing, the Company paid share issuance costs of \$22,130 and issued 75,000 common shares and 155,500 finder's share purchase warrants exercisable at \$0.30 per share, expiring two years from the date of issuance. The finder's share purchase warrants were valued at \$19,000.

Cross River Ventures Corp.
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6 Share Capital (continued)

b) Issued (continued)

On April 22, 2021, the Company issued 200,000 common shares at a price of \$0.175 per share an option payment

During the three months ended April 30, 2021, the Company issued 1,412,500 common shares at a price of \$0.10 per share on the exercise of warrants for gross proceeds of \$141,250.

Share transactions for the year ended January 31, 2021:

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.

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).

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6 Share Capital (continued)

b) Issued (continued)

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

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.

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.

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.

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6 Share Capital (continued)

c) Stock Options (continued)

There was no activity in stock options for the three months ended April 30, 2021.

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 | |

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.

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d) Agent's Options

Details of activity in agent's options for the three months ended April 30, 2021:

| January 31, 2021 | Granted | Exercised | January 31, 2021 | Weighted Average Exercise Price | Expiry Date |
|---------------------|---------|-----------|---------------------|------------------------------------------|-------------------|
| 21,000 | - | - | 21,000 | \$0.10 | July 13, 2022 |
| 417,096 | - | - | 417,096 | \$0.37 | December 23, 2023 |
| 438,096 | - | - | 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.

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.

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6 Share Capital (continued)

e) Share purchase warrants

Details of share purchase warrants activity for the three months ended April 30, 2021 and 2020 are as follows:

| January 31, 2021 | Granted | Exercised | April 30, 2021 | Weighted Average Exercise Price | Expiry Date |
|---------------------|-----------|-------------|-------------------|------------------------------------------|-------------------|
| 1,412,500 | - | (1,412,500) | 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 |
| - | 2,524,250 | | 2,524,250 | \$0.30 | April 20, 2023 |
| 7,988,552 | 2,524,250 | (1,412,500) | 9,100,302 | \$0.39 | |

| January 31, 2020 | Granted | Exercised | April 30, 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.

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6 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, 2021 | \$ 101,074 |
| Settlement of flow-through premium liability pursuant to qualifying expenditures | (5,100) |
| Balance, April 30, 2021 | \$ 92,774 |

During the three months ended April 30, 2021, the Company spent \$94,034 on qualified flow-through exploration expenditures. As a result, \$5,100 of the flow through liability has been recognized in other income.

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 April 30, 2021, there were 937,500 common shares remaining in escrow.

7 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 three months ended April 30, 2021 and 2020 includes:

| | Three months ended April 30, 2021 | Three months ended April 30, 2020 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Management and director fees | \$ 74,475 | \$ - |
| Share-based compensation expense | 7,985 | - |
| | \$ 82,460 | \$ - |

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:

| | April 30, 2021 | January 31, 2021 |
|--------------------------|----------------|------------------|
| Key management personnel | \$ - | \$ - |

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8 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. At April 30, 2021, the Company had \$2,477,004 working capital.

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8 Financial Instrument (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.

9 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 three months ended April 30, 2021. The Company is not subject to externally imposed capital requirements.