Ubique Minerals Limited

Financial Statements

For the year ended July 31, 2022

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Ubique Minerals Limited

Opinion

We have audited the financial statements of Ubique Minerals Limited (the "Company"), which comprise the statements of financial position as at July 31, 2022 and 2021, and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at July 31, 2022 and 2021, and its financial performance and its 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 Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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 2 to the financial statements, which described events or conditions that indicate that a material uncertainty exists that may cast significant doubt on the Company'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 the information included in Management's Discussion and Analysis.

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 Matthew Gosden.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

November 25, 2022

Ubique Minerals Ltd.
Statements of Financial Position
(Expressed in Canadian Dollars)

		As at July, 31 2022	As at July, 31 2021
ASSETS			
Current assets			
Cash and bank balances		**$ 42,786**	$ 321,370
GST/HST Receivable		**82,057**	29,680
Total current assets		**124,843**	351,050
Non-current assets			
Exploration and evaluation assets	(Note 7)	**1,182,717**	700,214
Drilling deposit		**-**	50,000
Investments	(Note 8)	**530,201**	79,665
Due from related parties	(Notes 8, 9)	**24,035**	-
Total non-current assets		**1,736,953**	829,879
Total assets		**$ 1,861,796**	$ 1,180,929
EQUITY AND LIABILITIES			
Current liabilities			
Accounts payable and other liabilities		**$ 66,574**	$ 19,029
Flow-through premium liability	(Note 11)	**-**	43,467
Due to related parties	(Note 9)	**172,011**	6,849
Total current liabilities		**238,585**	69,345
Shareholders' Equity			
Common share capital	(Note 11)	**2,700,583**	1,640,719
Shares to be issued	(Note 11)	**58,261**	20,368
Reserves for share-based payments	(Note 10)	**109,933**	118,148
Warrant valuation reserve	(Note 12)	**372,263**	226,440
Deficit		**(1,617,829)**	(894,091)
Total shareholders' equity		**1,623,211**	1,111,584
Total liabilities and shareholders' equity		**$ 1,861,796**	$ 1,180,929

Nature of operations (note 1)
Going concern (note 2)
Events after reporting period (note 13)

Approved on behalf of the Board of Directors:

"Vilhjalmur Vilhjalmsson" (signed)
Director

"Gaurav Singh" (signed)
Director

Ubique Minerals Ltd.
Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

For the year ended July 31,		2022	2021
Other income			
Flow-through premium	(Note 11)	**$ 45,797**	$ 9,334
Interest receivable	(Note 9)	**167**	-
		45,964	9,334
Operating expenses			
Consulting fees	(Note 9)	**203,804**	82,000
Professonal and legal fees		**65,061**	15,787
Services paid in stock	(Note 11)	**58,261**	-
Listing and filing fees	(Note 9)	**26,193**	22,910
Investor relations		**1,431**	614
Bank charges		**483**	259
General expenses		**30,874**	32,232
Insurance		**11,905**	10,600
Share-based payments	(Note 9, 10)	**2,445**	85,978
Impairment of exploration assets	(Note 7)	**62,245**	-
Rerevsal of previously impaired amount due from related party	(Note 9)	**-**	(12,681)
New project evaluation expense		**121,435**	-
Unrealised loss (gain) on investment	(Note 8)	**33,782**	(45,379)
Foreign exchange (gain) or loss		**40,926**	-
Loss on conversion of convertible debt	(Note 8)	**129,872**	-
Interest expense	(Note 9)	**8,975**	-
		797,692	192,320
Net and comprehensive loss for the year		**$ (751,728)**	$ (182,986)
Basic and diluted net loss per share		**$ (0.01)**	$ (0.00)
Weighted average number of common shares outstanding - basic and diluted		**70,091,872**	47,460,481

The notes to the financial statements are an integral part of these statements.

Ubique Minerals Ltd.

Statements of Changes in Shareholders' Equity
(Expressed in Canadian Dollars, except number of shares)

	Share Capital							
	Number of Shares	Amount	Shares to be Issued	Equity Reserve for Contribution	Reserve for Share-based Payment	Reserve for Warrants	Accumulated Deficit	Total
Balance, July 31, 2020	**45,418,085**	**$ 1,129,175**	**$ -**	**$ -**	**$ 27,355**	**$ 27,500**	**$ (711,105)**	**$ 472,925**
Issuance of common shares								
on private placement	12,580,066	701,805	20,368		-	-	-	722,173
transaction costs of share issuance	-	(13,520)	-		-	-	-	(13,520)
for acquisition of assets	200,000	10,000	-		-	-	-	10,000
for settlement of debt	1,163,592	69,816	-		-	-	-	69,816
Flow-through premium		(52,801)	-		-	-	-	(52,801)
Allocation of share-based payment reserve to shareholders equity	-	(4,816)	-		90,793	-	-	85,977
Allocation of warrant reserve to shareholders equity	-	(198,940)	-		-	198,940	-	-
Net Loss for the year	-	-	-		-	-	(182,986)	(182,986)
Balance, July 31, 2021	**59,361,743**	**$ 1,640,719**	**$ 20,368**	**$ -**	**$ 118,148**	**$ 226,440**	**$ (894,091)**	**$ 1,111,584**
Issuance of common shares								
on private placement	10,437,400	524,200	(20,368)	-	-	-	-	503,832
transaction costs of share issuance	-	(25,200)	-	-	-	-	-	(25,200)
for conversion of debentures	3,898,583	638,847	-	(231,667)	-	-	-	407,180
for exercise of options	1,166,666	87,500	-	-	-	-	-	87,500
for services	-	-	58,261	-	-	-	-	58,261
Contribution for acquisition of R500 shares	-	-	-	231,667	-	-	-	231,667
Flow-through premium	-	(2,330)	-	-	-	-	-	(2,330)
Allocation of share-based payment reserve to shareholders equity	-	10,170	-	-	(8,215)	-	490	2,445
Allocation of warrant reserve to shareholders equity	-	(173,323)	-	-	-	145,823	27,500	-
Net Loss for the year	-	-	-	-	-	-	(751,728)	(751,728)
Balance, July 31, 2022	**74,864,392**	**$ 2,700,583**	**$ 58,261**	**$ -**	**$ 109,933**	**$ 372,263**	**$ (1,617,829)**	**$ 1,623,211**

The notes to the financial statements are an integral part of these statements.

Ubique Minerals Ltd.

Statements of Cash Flows
(Expressed in Canadian Dollars)

For the year ended July 31,	2022	2021
Operating activities		
Net loss	$ **(751,728)**	$ (182,986)
Non-cash adjustments for:		
Accrued management fees	**106,410**	-
Interest settled in stock	**8,975**	-
Reversal of flow-through premium	**(45,797)**	(9,334)
Services paid in stock	**58,261**	-
Share-based payments	**2,445**	85,978
Unrealised loss (gain) on investment	**33,782**	(45,379)
Impairment of exploration assets	**62,245**	-
Foreign exchange (gain) or loss	**40,926**	-
Loss on conversion of convertible debt	**129,872**	-
Net changes in non-cash working capital		
GST/HST Recievable	**(52,377)**	1,064
Accounts payable and other liabilities	**53,293**	46,837
Net cash used in operating activities	**(353,693)**	(103,821)
Investing activities		
Expenditures on exploration and evaluation assets	**(500,496)**	(161,407)
Drilling deposit	**-**	(50,000)
Purchase of investment	**(25,244)**	-
Net cash used in investing activities	**(525,740)**	(211,407)
Financing activities		
Advances from (payments to) related parties	**34,717**	(85,271)
Shares to be issued	**-**	20,368
Issuance of shares	**566,132**	688,284
Net cash provided by financing activities	**600,849**	623,381
Net change in cash	**(278,584)**	308,153
Cash, beginning of the year	**321,370**	13,217
Cash, end of the year	$ **42,786**	$ 321,370
Non-cash financing and investing activities		
Shares issued under option agreement to acquire KAP claims	$ **-**	$ 10,000
Exploration expenditure included in payables	$ **-**	$ 5,748
Shares issued to settle debt	$ **-**	$ 69,816
Issuance of convertible debt for investment	$ **500,000**	$ -

The notes to the financial statements are an integral part of these statements.

1. Nature of operations

Ubique Minerals Limited ("Ubique" or the "Company") was incorporated on September 26, 2012, in the Province of Ontario, Canada and was continued into British Columbia on July 11, 2017. The Company's primary business is the acquisition and evaluation of mineral exploration and development assets, and it is considered to be in the exploration stage. On September 12, 2018, the Company's shares began trading on the Canadian Securities Exchange under the symbol UBQ.

The head office of the Company is located at 100 King Street West, Suite 5700, Toronto, Ontario M5X 1C7.

2. Going concern assumption

These financial statements have been prepared on the basis of accounting principles applicable to a going concern under International Financial Reporting Standards (“IFRS”). The use of these principles under IFRS assumes that the Company will continue in operation for the foreseeable future and will be able to realize assets and discharge its liabilities in the normal course of operations. The Company has not yet determined whether its exploration and evaluation assets contain economically recoverable ore reserves. The recovery of the amounts comprising exploration and evaluation assets are dependent upon the confirmation of economically recoverable reserves, the ability of the Company to obtain necessary financing to successfully complete the exploration and development of those reserves and upon future profitable production. As an exploration stage Company that has yet to commence active operations; it incurs operating losses, which casts significant doubt about the Company’s ability to continue as a going concern.

There is no assurance that the Company will be able to obtain the external financing necessary to complete the development of its business objectives. The Company has no proven history of profitability, which casts doubt as to whether the Company will be able to continue as a going concern should it not be able to obtain the necessary financing to fund working capital and capital expenditures. The ability of the Company to arrange such financing in the future depends in part upon the prevailing capital market conditions as well as the business performance of the Company. If additional financing is raised by the issuance of shares from the treasury of the Company, existing shareholders may have their interest diluted. If adequate financing is not available, the Company may be required to terminate its operations.

As at July 31, 2022, the Company has yet to generate revenues from operations and had an accumulated deficit of $1,617,829 (2021 – $894,091). In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. Management is aware, in making its assessment, of uncertainties related to events or conditions that may cast significant doubt upon the entity’s ability to continue as a going concern that these uncertainties are material and, therefore, that it may be unable to realize its assets and discharge its liabilities in the normal course of business. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore to realize its assets and discharge its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. These adjustments could be material.

3. Statement of compliance and basis of presentation

(a) Statement of compliance

The Company applies IFRS as issued by the International Accounting Standards Board (“IASB”) and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). The accounting policies set out in **Note 4** have been applied consistently in these financial statements. The financial statements were approved by the Board of Directors on November 25, 2022.

(b) Basis of presentation

These financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments which may be measured at fair value in subsequent periods and have been prepared using the accrual basis of accounting except for cash flow information.

3. Statement of compliance and basis of presentation (continued)

(c) Functional and presentation currency

The financial statements are presented in Canadian dollars, which is the Company's functional currency.

(d) Use of estimates and critical judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year.

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.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are limited to, the following:

(i) Going concern

Going concern assumption - going concern presentation of the financial statements 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 they come due. Refer to **Note 2**.

(ii) Impairment indicators for exploration and evaluation assets

Management reviews its exploration and evaluation for indicators of impairment. Whether or not impairment indicators exist is inherently judgement. See **Note 4**.

(iii) Valuation of share-based compensation

The Company uses the Black-Scholes Pricing Model for valuation of share-based compensation. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate, and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings and equity reserves.

(iv) Investments

Management must rely on various sources of information including the performance of the investees assets, general industry trends, and other factors when estimating the fair value of investments in private companies.

4. Significant accounting policies

These financial statements have been prepared by management in accordance with IFRS and IFRIC. Outlined below are those policies considered particularly significant:

Exploration and evaluation assets

The Company capitalizes all exploration and evaluation costs that result in the acquisition and retention of resource properties or an interest therein. The amount shown for mineral rights represents costs to date, including acquisition, maintenance, exploration, salaries based on time spent, and management fees. All costs incurred prior to obtaining the legal right to explore are expensed as incurred.

Mining rights shall be assessed for impairment when facts and circumstances suggest that the carrying amount of the mining rights may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). The Company estimates the recoverable amount of each asset or cash-generating unit ("CGU"), on the basis of areas of interest. Management groups mineral claims that are contiguous and specific to an area that encompasses the same prospective minerals, into one area of interest and assigns a name to this mineral property. Each named mineral property is considered an area of interest and a CGU.

4. Significant accounting policies (continued)

Although not an exhaustive list, one or more of the following facts and circumstances indicate that a specific CGU should be tested for impairment:

- The period for which the entity has the right to explore in the specific area has expired during the financial statement period or will expire in the near future and is not expected to be renewed.
- Substantive expenditures on further exploration for, and evaluation of, mineral resources in the specific area is neither budgeted nor planned.
- Exploration for and evaluation of mineral resources in the specific area has 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.
- Sufficient data exists 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 sale.

Recoverable amount is the higher of fair value less disposal costs and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as "mines under construction". Mining rights are also tested for impairment before the assets are transferred to development properties.

Income taxes

Income tax expense consisting of current and deferred tax expense is recognized in the statement of loss and comprehensive loss. Current tax expense is the expected tax payable on the taxable income 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 taxes are provided using the liability method on temporary differences at the date of the statement of financial position 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 income tax liability 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
- Taxable temporary differences associated with investments in associates and interests in joint ventures, where the timing in the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognized for all deductible temporary differences and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.
Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is expected to be realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the statement of financial position. Deferred income taxes relating to items recognized directly in equity are recognized in equity and not in the statement of comprehensive income.

4. Significant accounting policies (continued)

Deferred income tax assets and deferred income tax liabilities are offset if, and only if, a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority which intend to either settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

Flow-through shares

On the issuance of flow-through shares, any premium received in excess of the market price of the Company's common shares is initially recorded as a liability ("flow-through premium liability"). Provided that the Company has renounced the related expenditures, or that there is a reasonable expectation that it will do so, the flow-through premium liability is reduced on a pro-rata basis as the expenditures are incurred. If such expenditures are capitalized, a deferred tax liability is recognized. To the extent that the Company has suitable unrecognized deductible temporary differences, an offsetting recovery of deferred income taxes would be recorded.

Units Issued in Private Placements

The Company has adopted a relative fair value method with respect to the measurement of shares and warrants issued as private placement units. The proceeds from private placements are allocated on a relative fair value between the common shares and warrants. The fair value attributed warrants is recorded in warrant reserve within equity. If the warrants are converted, the consideration paid, along with the amount previously recognized in warrant reserve, is recorded as an increase to share capital.

Equity Settled Transactions

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled and vested, ending on the date on which the relevant employees become fully entitled to the award ("the vesting period or date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest. The profit or loss charge for a period represents the movement in cumulative expense recognized as at the beginning and end of that period and the corresponding amount is represented in share-based compensation reserve.

When the share-based payment arrangement has been cancelled or the terms have expired the fair value assigned to the share-based payment arrangement is transferred to deficit.

Provisions

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably estimated. The amount of a provision is the best estimate of the consideration at the end of the reporting period. Provisions measured using estimated cash flows required to settle the obligation 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.

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The Company has no material provisions as at July 31, 2022.

4. Significant accounting policies (continued)

Loss Per Share

Loss per share is calculated based on the weighted average number of common shares issued and outstanding during the period. In the years when the Company reports a net loss, the effect of potential issuances of common shares are anti-dilutive, therefore, basic and fully diluted loss per common share is the same. The diluted loss per share reflects the potential dilution of common share equivalents, such as the conversion of outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the year, if dilutive. The treasury stock method is used for the assumed proceeds upon exercise of the options and warrants.

Financial instruments

The Company follows IFRS 9 Financial instruments: Classification and Measurement. A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

The following table shows the classification of the Company's financial instruments under IFRS 9:

Financial assets/liabilities	Classification IFRS 9
Cash	Amortized cost
Due from related parties	FVTPL
Investment	FVTPL
Accounts payable and other liabilities	Amortized cost
Due to related parties	Amortized cost
Convertible notes	FVTPL

Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed.

All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity.

The classification determines the method by which the financial assets are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

Impairment of financial assets

IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

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

4. Significant accounting policies (continued)

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

<u>Financial liabilities</u>

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded. Accounts payable and due to shareholder are classified under other financial liabilities and carried on the statement of financial position at amortized cost.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value. Gains and losses on derecognition are generally recognized in profit or loss.

<u>Financial instruments recorded at fair value</u>

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

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

The Company's investment in the common shares of GreenBank Capital Inc. (**Note 8**) is considered Level 1 in the hierarchy. The Company's investment in the common shares of Resource 500 V Ltd (**Note 8**) is considered Level 3 in the hierarchy.

Future accounting policies

Accounting pronouncements are either not applicable or not expected to have a significant impact on the Company's financial statements.

5. Financial Risk Management

Financial Risk Management Objectives and Policies

The Company is exposed to various financial risks resulting from its operations. The Company's management, with the Board of Directors oversight, manages financial risks. Where material, these risks will be reviewed and monitored by the Board of Directors. The Company does not enter into financial instrument agreements including derivative financial instruments for speculative purposes.

Financial Risks

The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk is the risk of loss associated with a counter-party's inability to fulfill its payment obligations. The credit risk is limited to the carrying value amount carried on the statement of financial position. The Company's primary exposure to credit risk is on its cash which is considered low risk as it is held at high quality financial institutions.

5. Financial Risk Management (continued)

Financial Risks (continued)

Market and other risk

Market risk is the risk of uncertainty arising primarily from possible movements in the market in which the Company is in and their impact on the future economic viability of the Company's operation and ability of the Company to raise capital. These market risks are evaluated by monitoring changes in key economic indicators and market information on an on-going basis and adjusting operating and budgets accordingly.

Liquidity risk

Liquidity risk is the risk the Company will not be able to meet its financial obligations as they fall due. The Company manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business. Currently, the Company does not have sufficient funds and will require financing to carry out its operating objectives and meet general and administrative expenses for the next twelve months.

6. Capital Management

The Company manages its capital structure and adjusts it, based on the funds available to the Company, to ensure it continues as a going concern. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's managements to sustain future development of the business.

The Company defines its capital as its shareholders' equity. The Company will require additional financing to provide working capital to fund costs for the current year. These financing activities may include issuances of additional debt or equity securities.

The Company's capital management objectives, policies and processes have remained unchanged during the year ended July 31, 2022. The Company is not subject to any capital requirements imposed by a lending institution.

7. Exploration and Evaluation Assets

The Company holds interests in a portfolio of exploration and evaluation assets through a combination of licenses owned (Daniels Harbour Claims) and through option agreements with other license owners (Ophir Claims).

Daniels Harbour Claims

The Daniels Harbour Claims comprises 9 claim units in 2 Mineral Licenses, in the Daniels Harbour area of Newfoundland and Labrador. During the year ended July 31, 2022, one Mineral License comprising 17 claim units was allowed to lapse as it was not considered core to the future exploration plans in the area, and the associated exploration costs of $62,245 were recorded as an impairment.

Ophir Claims

On February 13, 2019, and subsequently amended on November 29 2019 and on March 12, 2021, the Company entered into an Option Agreement with Ophir Gold Corp (TSX-V: OPHR) (**"Ophir"**), formerly MinKap Resources Inc., and prior thereto Kapuskasing Gold Corp. which provides for Ophir granting Ubique an option to earn a 55% or up to 70% interest in Ophir's Daniels Harbour property in western Newfoundland, which comprises 42 claim units in 4 Mineral Licences close to Ubique's Daniel's Harbour property to its west.

In order to earn a 55% interest in the Ophir Claims:

- On signing of the agreement, the Company must pay Ophir $10,000 (paid) and deliver to Ophir 500,000 common shares in the capital of the Company (issued with a fair value of $100,000);
- On or before September 15, 2019, the Company must incur an additional $100,000 in expenditures (incurred);
- On or before February 12, 2020, the Company must pay Ophir $10,000 (paid) and deliver to Ophir 500,000 common shares in the capital of the Company (issued with a fair value of $22,500);

(Expressed in Canadian Dollars)

7. Exploration and Evaluation Assets (continued)

- On or before February 12, 2021, the Company must deliver to Ophir 200,000 common shares in the capital of the Company (issued with a fair value of $10,000);
- On or before February 28, 2021, the Company must incur an additional $137,290 in expenditures (incurred);
- On or before September 1, 2021, paying $40,000 to the vendors from whom Ophir optioned the property (paid);
- On or before February 28, 2022, the Company must incur an additional $362,710 in expenditures (incurred);
- On or before February 12, 2024, the Company must incur an additional $400,000 in expenditures, at which point the Company will have earned a 55% interest in the Ophir property.

Upon the Company earning a 55% interest, the Company may earn an additional 15% interest by incurring an additional $400,000 in expenditures, on or before February 28, 2025. Upon the Company earning either a 55% or 70% interest in the property, the companies will form a joint venture to continue exploration, or Ophir may elect to grant the Company the right to earn an additional 5% interest in the property for every additional work expenditure of $100,000 to a limit of 95% ownership by the Company, at which time the agreement provides for Ophir's interest to be converted to a 2% Net Smelter Royalty ("NSR"). The Company will then have the right to buy back 1.75% of the NSR for $2,000,000. The underlying vendors are entitled to a NSR of 3% of which 2% may be repurchased for $2,000,000. In addition, the underlying vendors are entitled to a bonus payment if the operator of the joint venture delineates a NI 43-101 compliant resource of a minimum of 5,000,000 tonnes of ore with a grade of at least 7% zinc.

	Daniels Harbour Claims	Kapuskasing Claims	Total
Balance, July 31, 2020	**$ 333,270**	**$ 231,446**	**$ 564,716**
Additions:			
Drilling and development costs	44,568	105,576	150,144
Option payments	-	10,000	10,000
Recovery of exploration expenses under government support	(24,646)	-	(24,646)
Balance, July 31, 2021	**$ 353,192**	**$ 347,022**	**$ 700,214**
Additions:			
Drilling and development costs	20,253	484,495	504,748
Option payments	-	40,000	40,000
Impairment of cancelled claims	(62,245)	-	(62,245)
Balance, July 31, 2022	**$ 311,200**	**$ 871,517**	**$ 1,182,717**

8. Investments

The Company's investment in marketable securities consists of 100,842 common shares of GreenBank Capital Inc. (CSE:GBC) ("GreenBank") This investment has been marked to market at $0.455 per share, at the last traded market price on July 31, 2022 (2021 - $0.79 per share). At July 31, 2022 GreenBank Capital owned approximately 19.12% of the Company with a fair value of $45,883 (2021- $79,665). For year ended July 31, 2022, the Company recorded an unrealized loss of $33,782 (2021- gain of $45,379).

In February 2022, the Company acquired 494 shares in Resource 500 V Ltd ("R500"), an Irish exploration company that holds 7 mineral exploration licenses and applications for 2 more licences in Namibia, Africa.

The purchase consideration was as follows:

1. Ubique subscribed for 23 shares of R500 at a subscription price of EUR750 per share for a total consideration of EUR17,250 ($25,243). Ubique also acquired a Right of First Refusal (ROFR) to participate in up to 50% of the next financing offered by R500.
2. Ubique purchased 471 shares of R500 from JV Capital EHF ("Seller"), a company owned by Ubique's Chief Executive Officer and Director for a total consideration of C$500,000 payable as follows:
   a. 6% Series A Convertible Debenture in the principal amount of $150,000 with interest payable at the rate of 6% per annum, with a 3-year term and a conversion price being the greater of $0.10 per share or the weighted average closing price of the Common Shares on the Exchange for the previous 10-day trading days.

8. Investments (continued)

b. 6% Series B Convertible Debenture in the principal amount of $350,000 with interest payable at the rate of 6% per annum, with a 3-year term and a conversion price being the greater of $0.15 per share or the weighted average closing price of the Common Shares on the Exchange for the previous 10-day trading days.
c. All outstanding amounts payable in respect of either debenture, including accrued interest shall be due and payable on the date and converted to common shares in the capital of the Company on the date which is thirty-six (36) months from the date hereof; or earlier, provided that the Seller chooses, prior to the maturity date, to convert all or part of such amounts per the terms of the debentures, and the Seller provides written notice to the Purchaser of such anticipated conversion no less than fifteen (15) business days prior to the date of conversion.

The Company recorded the shares acquired from the CEO at their estimated fair value of EUR 750 per share, for a total of $500,000, determined based on the price that R500 was issuing for cash at the time of the investment. The fair value of the convertible debentures was estimated to be $268,333 which was determined based on the market price of Ubique's common shares at the time of the investment. The difference between the fair value of the investment and the convertible debentures, of $231,667 was recorded as a contribution by the Company's CEO within equity.

At July 31, 2022, the Company owned 24.7% of the outstanding share capital of R500. After considering guidance from IAS 28, the Company has concluded that it does not have significant influence over R500 as R500's CEO controls 57% of the outstanding share capital of the investee, and Ubique does not have any representation on the board of directors or equivalent governing body of the investee; does not participate in the policy-making process or decisions about dividends or any other distributions. At July 31, 2022, Ubique had no material transactions with R500, except for a loan of EUR17,500 ($24,035) advanced to R500 to meet its working capital requirements (**refer Note 9**). There is no interchange of company personnel or exchange of technical expertise between the two companies.

As such, R500 is accounted for as an investment with any changes recorded via FVTPL. At July 31, 2022, the fair value of the R500 shares was determined to be $484,318 based on the initial subscription price, adjusted for foreign exchange.

The convertible debentures were converted into common shares in May and June 2022 (**Note 11**). The convertible notes were accounted for as a liability as it was convertible into a variable number of shares. Management elected to measure the liability at FVTPL. On conversion, the Company recognized a loss of $129,872 based on the fair value of the common shares at the time of conversion.

9. Related party transactions and disclosures

At July 31, 2022, the due to related parties' amount of $172,011 (2021 - $6,849) is comprised of amounts due to companies controlled by directors, and to a director and an officer of the Company. These amounts are unsecured, non-interest bearing and due on demand.

At July 31, 2022, the amount due from related parties was $24,035 (2021 - $Nil), due from R500 (**Note 8**). The Company has agreed to advance a loan of EUR 27,500 to R500, to be used for meeting working capital requirements and payments of environmental licenses. Terms of the Loan Agreement are as follows:

- The loan was facilitated in multiple tranches (€7,500 remitted in June; €10,000 remitted in July; €10,000 remitted in August, after the reporting period)
- 12% interest rate per annum
- Convertible at €750 per share in R500

For the year-ended July 31, 2022, the Company recorded $167 as interest income accrued on the loan to R500.

During the year-ended July 31, 2022, the Company incurred consulting fees to directors in the amount of $174,000 (2021 - $82,000), for executive management services.

During the year-ended July 31, 2022, the Company incurred transfer agent fees of $6,430 (2021 - $5,515) to Reliable Stock Transfer Inc., a company with a common director, for the provision of share transfer services.

During the year-ended July 31, 2022, the Company incurred exploration and evaluation costs of $Nil (2021- $42,500) to an officer and a director of the Company.

(Expressed in Canadian Dollars)

9. Related party transactions and disclosures (continued)

On February 24, 2022, the Company purchased 471 shares of R500 from JV Capital EHF, a company owned by Ubique's Chief Executive Officer and Director (see **Note 8**).

During the year-ended July 31, 2022, the Company issued shares to related parties as follows:

- On August 13, 2021, the Company closed a tranche of a non-brokered private placement and raised $524,200. Of this amount, $154,054 was invested by directors and officers of the Company.
- On April 29, 2022, the Company issued 163,384 common shares on the exercise of options by a director.
- On May 3, 2022, the Company issued 1,516,250 common shares to a Company controlled by the CEO, on the conversion of $151,625 comprising the principal ($150,000) and accrued interest ($1,625) on the 6% Series A convertible debentures issued as a part of the purchase consideration for the investment in R500.
- On June 24, 2022, the Company issued 553,282 common shares on the exercise of options by directors.
- On July 1, 2022, the Company issued 2,382,333 common shares to a Company controlled by the CEO, on the conversion of $357,350 comprising the principal ($350,000) and accrued interest ($7,350) on the 6% Series B convertible debentures issued as a part of the purchase consideration for the investment in R500.
- On July 30, 2022, the Company issued 450,000 common shares on the exercise of options by a director.

During the year-ended July 31, 2021, the Company issued shares to related parties as follows:

- On October 5, 2020 the Company closed the first tranche of a non-brokered private placement and raised $30,000. Of this amount $24,000 was invested by an officer and director of the Company.
- On November 10, 2020 the Company closed the second tranche of the above non-brokered private placement and raised $26,004. Of this amount $18,000 was invested by officers and directors of the Company.
- On December 29, 2020, the Company closed a non-brokered private placement and raised $70,000. This amount was invested by an officer and director of the Company.
- On July 12, 2021, the Company closed a tranche of a non-brokered private placement and raised a $575,800. Of this amount, $406,800 was invested by insiders of the Company.
- On July 30, 2021, the Company settled debts in the amount of $69,816 owed to a director and a company owned by a director by issuing 1,163,592 common shares priced at $0.06 per share.

During the year ended July 31, 2021, the Company received an amount of $12,681 due from Buchans Wileys Exploration, a company with common directors, that had been impaired in the year-ended July 31, 2019 as collection was uncertain at the time.

10. Share based payments

The Company has a stock option plan (the "Plan"), the purpose of which is to attract, retain and compensate qualified persons as directors, senior officers and employees of, and consultants to the Company by providing such persons with the opportunity, through share options, to acquire an increased proprietary interest in the Company. The number of shares reserved under the Plan cannot be more than a maximum of 10% of the issued and outstanding shares at the time of any grant of options. The period for exercising an option shall not extend beyond a period of ten years following the date the option is granted. The exercise price of options granted under the Plan shall be as determined by the Board of Directors when such option is granted.

Share based payment transactions for the years presented are as follows:

	Number of stock options	Weighted average exercise price ($)
Balance July 31, 2020	**1,350,000**	**0.075**
Granted(1,2)	3,210,000	0.075
Balance July 31, 2021	**4,560,000**	**0.075**
Exercised(3)	(1,166,666)	0.075
Balance July 31, 2021	**3,393,334**	**0.075**

(Expressed in Canadian Dollars)

10. Share based payments (continued)

(1) On December 31, 2020, the Company granted 210,000 stock options to Proconsul Capital Ltd. with an exercise price of $0.075 per share. The options vested on the date of grant, have a term of three years with an expiry date of December 22, 2023 and are governed by the provisions of Ubique's stock option plan. The estimated fair value of the options vested is $4,977 using the Black-Scholes valuation model. The underlying assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 0.20%;
- Expected life: 3 years;
- Expected volatility: 100% based on historical trends;
- Forfeiture rate: nil;
- Expected dividend yield: 0%; and
- Share price: $0.065

(2) On July 9, 2021 the Company granted 2,900,000 stock options to the directors of the Company and 100,000 options to a consultant with an exercise price of $0.075 per share. The options vested on the date of grant, have a term of three years with an expiry date of July 9, 2024 and are governed by the provisions of Ubique's stock option plan. The estimated fair value of these options at the grant date was $81,000 using the Black-Scholes valuation model. The underlying assumptions used in the estimation of fair value in the Black-Scholes valuation model are as follows:

- Risk free rate: 0.46%;
- Expected life: 3 years;
- Expected volatility: 100% based on historical trends;
- Forfeiture rate: nil;
- Expected dividend yield: 0%; and
- Share price: $0.05

(3) In the year ended July 31, 2022, 1,166,666 options were exercised by directors and an officer, at an exercise price of $0.075. The corresponding portions of the share-based payment reserve were transferred to share capital.

The following table reflects the stock options outstanding and exercisable as of July 31, 2022:

Expiry date	Weighted average exercise price ($)	Weighted average remaining contractual life (years)	Number of options outstanding	Number of options vested (exercisable)
December 22, 2022	0.075	0.39	1,050,000	1,050,000
December 31, 2023	0.075	1.42	210,000	140,000
July 9, 2024	0.075	1.94	2,133,334	2,133,334
	0.075	1.43	3,393,334	3,323,334

11. Share capital

a) Authorized share capital

The Company is authorized to issue an unlimited number of common shares. The common shares have no par value.

b) Common shares

At July 31, 2022, the Company had 74,864,392 common shares (2021 – 59,361,743) issued and outstanding.

On October 5, 2020 the Company closed the first tranche of a non-brokered private placement and issued 500,000 flow-through shares priced at $0.06 per share to raise $30,000. Of this amount $24,000 was invested by an officer and director of the Company. On issuance, the Company recognized a flow-through premium liability of $5,000. The Company incurred the required expenditures during the year ended July 31, 2021 and therefore the liability was reversed through other income.

11. Share capital (continued)

On November 10, 2020 the Company closed the second tranche of its non-brokered private placement and issued 433,400 flow-through shares priced at $0.06 per share to raise $26,004. Of this amount $18,000 was invested by officers and directors of the Company. On issuance, the Company recognized a flow-through premium liability of $4,334. The Company incurred the required expenditures during the year ended July 31, 2021, and therefore the liability was reversed through other income.

On December 29, 2020, the Company closed a non-brokered private placement and issued 1,000,000 units priced at $0.07 per unit to raise $70,000, with each unit comprising one common share and one full common share warrant. This amount was invested by an officer and director of the Company.

On February 12, 2021, the Company issued 200,000 common shares with a fair value of $10,000 to Ophir, pursuant to its option agreement which provides for Ophir granting Ubique an option to earn a 55% or greater interest in Ophir's Daniel's Harbour property in western Newfoundland (**Note 7**).

On July 12, 2021, the Company closed the first tranche of a non-brokered private placement and issued 6,300,000 hard dollar units priced at $0.05 per unit and 4,346,666 flow-through units priced at $0.06 per unit to raise a total of $575,800. Each hard dollar unit comprises one common share and one full common share warrant and each flow-through unit comprises one common share and a half common share warrant. Of the amount raised, $406,800 was invested by officers and directors of the Company. The Company paid finders fees of $13,520 and issued 229,333 finders warrants. On issuance the Company recognized a flow-through premium liability of $43,467. The Company incurred the required expenditure during the year ended July 31, 2022, and therefore the liability was reversed through other income.

On August 13, 2021, the Company closed the final tranche of a non-brokered private placement initiated in June 2021 and issued 10,204,400 hard dollar units priced at $0.05 per unit and 233,000 flow-through units priced at $0.06 per unit to raise a total of $524,200. Each hard dollar unit comprises one common share and one full common share warrant and each flow-through unit comprises one common share and a half common share warrant. Of the amount raised, $154,054 was invested by insiders of the Company. The Company paid finders fees of $25,200 and issued 480,000 finders warrants. On issuance the Company recognized a flow-through premium liability of $2,330. The Company has incurred the required expenditures during the year ended July 31, 2022, and therefore the liability was reversed through other income.

On April 29, 2022, the Company issued 163,384 common shares on the exercise of options by a director for proceeds of $12,254 and $3,346 was reallocated from contributed surplus to share capital.

On May 3, 2022, the Company issued 1,516,250 common shares on the conversion of the principal and interest accrued on the 6% Series A convertible debentures (see **Note 8**), into common shares.

On June 24, 2022, the Company issued 553,282 common shares on the exercise of options by directors for proceeds of $41,496 and $14,939 was reallocated from contributed surplus to share capital.

On July 1, 2022, the Company issued 2,382,333 common shares on the conversion of the principal and interest accrued on the 6% Series B convertible debentures (see **Note 8**), into common shares.

On July 30, 2022, the Company issued 450,000 common shares on the exercise of options by a director for proceeds of $33,750 and $11,085 was reallocated from contributed surplus to share capital.

The Company has engaged the services of an online marketing services firm with an annual contract of $100,000 payable in Ubique common shares. The shares are payable over 5 tranches of $20,000 each, payable at the start of the engagement period and at the end of each quarter. At July 31, 2022, these shares are recorded under shares to be issued in the amount of $58,261.

(Expressed in Canadian Dollars)

12. Warrants

Details of warrant transactions for the years presented are as follows:

	Number of warrants	Weighted average exercise price ($)
Balance, July 31, 2020	**823,225**	**0.10**
Issued[(1)]	1,000,000	0.15
Issued[(2)]	8,702,666	0.075
Balance, July 31, 2021	**10,525,891**	**0.084**
Issued[(3)]	10,800,900	0.075
Expired[(4)]	(823,225)	0.10
Balance, July 31, 2022	**20,503,506**	**0.079**

(1) On December 29, 2020, the Company closed a non-brokered private placement and issued 1,000,000 units priced at $0.07 per share to raise $70,000, with each unit comprising one common share and one full common share warrant exercisable at a price of $0.15 per common share for a period of 24 months from the date of issuance. An estimated fair value of $21,000 was allocated to the warrant reserve on account of 1,000,000 warrants issued.

(2) On July 12, 2021, the Company closed the first tranche of a non-brokered private placement that comprised 8,473,333 warrants and 229,333 finder's warrants. An estimated fair value of $177,940 was allocated to the warrant reserve on account of 8,473,333 warrants issued, and $4,816 was allocated to the share-based payments reserve on account of the 229,333 finders warrants issued.

(3) On August 13, 2021, the Company closed the final tranche of a non-brokered private placement that comprised 10,320,900 warrants and 480,000 finder's warrants. An estimated fair value of $173,323 was allocated to the warrant reserve on account of 10,320,900 warrants issued, and $19,200 was allocated to the share-based payments reserve on account of the 480,000 finders warrants issued.

(4) In September 2019, the Company completed a private placement and issued units that comprised 808,825 warrants and 14,400 finder's warrants. An estimated fair value of $27,500 was allocated to the warrant reserve on account of 808,825 warrants issued, and $490 was allocated to the share-based payments reserve on account of the 14,400 finders warrants issued. These warrants expired unexercised in September 2021 and the corresponding amounts were reallocated to accumulated deficit.

Details of the warrants outstanding and their recorded values, at July 31, 2022, are as follows:

Expiry date	Weighted average exercise price ($)	Number of warrants	Fair Value ($)
Series D: 24 months from issuance (December 29, 2022)[(1)]	0.15	1,000,000	21,000
Series E: 24 months from issuance (July 12, 2023)[(2)]	0.075	8,473,333	177,940
Series E: 24 months from issuance (August 13, 2023)[(3)]	0.075	10,320,900	173,323
	0.079	**19,794,233**	**372,263**
Finders' warrants: 24 months from issuance (July 12, 2023)	0.075	229,333	4,816
Finders' warrants: 24 months from issuance (August 13, 2023)	0.075	480,000	19,200
	0.075	**709,333**	**24,016**

(1) The fair value of the Series D warrants was determined using the Black-Scholes valuation model using the following assumptions:

- Risk free rate: 0.21%;
- Expected life: 2 years;
- Expected volatility: 100% based on historical trends;
- Forfeiture rate: nil;
- Expected dividend yield: 0%; and
- Share price (underlying): $0.065
- Exercise price: $0.15

12. Warrants (continued)

(2) The fair value of the Series E warrants was determined using the Black-Scholes valuation model using the following assumptions:

- Risk free rate: 0.47%;
- Expected life: 2 years;
- Expected volatility: 100% based on historical trends;
- Forfeiture rate: nil;
- Expected dividend yield: 0%; and
- Share price (underlying): $0.05
- Exercise price: $0.075

(3) The fair value of the Series E warrants was determined using the Black-Scholes valuation model using the following assumptions:

- Risk free rate: 0.40%;
- Expected life: 2 years;
- Expected volatility: 130.85% based on historical trends;
- Forfeiture rate: nil;
- Expected dividend yield: 0%; and
- Share price (underlying): $0.034
- Exercise price: $0.075

13. Events After the Reporting Period

On August 10, 2022, the Company granted 3,800,000 options to directors, officers and a consultant, at an exercise price of $0.15 per common share and a 3-year term.

On August 3, 2022, Ubique incorporated Ubique Zinc Corp. ("UZC"), an Ontario Corporation, as a wholly owned subsidiary of the Company. On September 6, 2022, UZC (the "Purchaser") and Ubique signed a Share and Asset Purchase Agreement (the "SPA") to acquire 90% of the shares in Namib Lead and Zinc Mining (Proprietary) Limited ("NLZM", previously referred to as "Project Cheetah"), which owns the Namib Lead and Zinc Mine in Namibia, from CL US Minerals LLC (the "Vendor"), together with certain indebtedness of NLZM owed to the Vendor.

The total purchase price to be paid to the Vendor will be as follows:

- US$1.0 million payable in cash on closing of the transaction and issuance of 10 million warrants to purchase common shares of the Company with an exercise price equivalent to the weighted average price of any coincident capital raising that is conducted as part of the transaction or, if no capital raising is undertaken, C$0.10 (the "Exercise Price") ("Upfront Payment").
- One or more quarterly payments from mining operations totalling US$10.0 million, paid from 80% of free cash flow ("Profitability Payment").
- US$5.0 million, paid in cash or shares (at the Vendor's election) after the Project has produced 47,000 dry metric tonnes of concentrate ("Contingent Payment").
- US$4.0 million payable through four convertible notes (the "Convertible Notes") issued on closing of the transaction as follows:
    - US$1.0 million with a conversion price equivalent to the Exercise Price;
    - US$1.0 million with a conversion price equivalent to the Exercise Price plus C$0.10;
    - US$1.0 million with a conversion price equivalent to the Exercise Price plus C$0.20;
    - US$1.0 million with a conversion price equivalent to the Exercise Price plus C$0.30.
- The Convertible Notes shall bear an interest rate of 6.00% per annum payable in cash annually and mature on the second anniversary of closing of the transaction. At any point before or on their respective maturity date, and at the holder's option, the Convertible Notes may be convertible into common shares of Ubique at their respective conversion price. Unless converted into common shares, all outstanding amounts payable in respect of the Convertible Notes principal and accrued and unpaid interest shall be payable in cash on their maturity date. The Convertible Notes shall rank pari passu with other convertible debentures issued by Ubique, if any.

(Expressed in Canadian Dollars)

13. Events After the Reporting Period (continued)

- If the transaction does not complete due to Ubique or the Purchaser failing to satisfy certain conditions to completion that are partly or wholly within its control (e.g., shareholder vote), then a US$1.0 million break fee will be paid to the Vendor within 30 days of the transaction being terminated.
- Similarly, if the transaction does not complete due to the Vendor failing to satisfy certain conditions to completion that are partly or wholly within its control, then a US$1.0 million break fee will be paid to Ubique within 30 days of the transaction being terminated.
- The Profitability Payment and the Contingent Payment will be secured by way of a first- lien security interest over the capital of the Purchaser as well as any indebtedness of the Purchaser or NZLM owed to the Company or the Purchaser.
- Pursuant to the terms of the Purchase Agreement, the Company, the Purchaser and NLZM will be subject to certain restrictions on indebtedness, liens and other restricted payments prior to the payment in full (in cash or common shares) of the Profitability Payment and the Contingent Payment, as outlined above.
- The transaction is contingent upon approvals from the Canadian Securities Exchange and shareholders' approval.

On August 12, 2022, the Company issued 200,000 common shares on the exercise of warrants by a shareholder.

On October 11, 2022, the Company issued 199,510 common shares on the exercise of warrants by a company controlled by a director.

14. Income taxes

The Company's income tax provision differs from the amount resulting from the application of the Canadian statutory income tax rate. A reconciliation of the combined Canadian federal and provincial income tax rates with the Company's effective tax rate is as follows:

	Year ended July 31, 2022	Year ended July 31, 2021
Loss before income taxes	$ (751,728)	$ (182,986)
Combined statutory rate	26.5%	26.5%
Expected income tax recovery	(199,208)	(48,491)
Effect of flow-through shares	99,794	33,844
Share-based payments and other permanent differences	648	19,201
Change in deductible temporary differences not recognized	98,766	(4,554)
Income tax recovery	$ -	$ -

The Company's recognized deferred tax assets and liabilities are as follows:

	July 31, 2022	July 31, 2021
Non-capital loss carry-forwards	$ 103,113	$ 38,597
Exploration and evaluation assets	(103,113)	(38,597)
Net deferred tax assets	$ -	$ -

The Company has total non-capital loss carry-forwards of $1,146,048 of which $1,146,048 have not been recognized as it is uncertain whether there will be sufficient taxable income in the future to utilize these tax losses. These losses expire in the years 2033 to 2042. The Company also has deductible temporary differences relating to share issuance costs and investments totalling $144,342 for which no deferred tax asset has been recognized.