PROJECT ONE RESOURCES LTD.

Condensed Interim Financial Statements
For the three and nine-month periods ended May 31, 2021 and 2020
(Expressed in Canadian Dollars)
(Unaudited)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

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

The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

The accompanying unaudited, condensed interim financial statements of Project One Resources Ltd. for the nine months May 31, 2021 have been prepared by the management of the Company and approved by the Company's Audit Committee and the Company's Board of Directors. The accompanying unaudited, condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

PROJECT ONE RESOURCES LTD.
Condensed Interim Statements of Financial Position
(Unaudited - Expressed in Canadian Dollars)

As at		**May 31, 2021**		**August 31, 2020**
Assets				
Current				
Cash	$	336,094	$	597,959
Receivables (notes 5 and 6)		11,931		8,393
Prepaid expenses		-		27,000
		348,025		633,352
Mineral property (note 4)		1		1
	$	348,026	$	633,353
Liabilities and Shareholders' Equity				
Liabilities				
Current				
Accounts payable and accrued liabilities (note 6)	$	35,309	$	24,014
Shareholders' Equity				
Common Shares (note 5)		1,230,862		1,152,897
Reserves (note 5)		128,264		134,469
Deficit		(1,046,409)		(678,027)
		312,717		609,339
	$	348,026	$	633,353

Approved on behalf of the Board:

"Ronald Shenton" (signed)	*"Brian Roberts" (signed)*
Director	Director

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

PROJECT ONE RESOURCES LTD.
Condensed Interim Statements of Comprehensive Loss
(Unaudited – Expressed in Canadian Dollars)

	For the 3-Month Period Ended May 31, 2021	For the 3-Month Period Ended May 31, 2020	For the 9-Month Period Ended May 31, 2021	For the 9-Month Period Ended May 31, 2020
Expenses				
Accounting and audit fees	$ -	$ 2,000	$ 12,665	$ 2,791
Advertising and promotion (note 1)	7,000	-	33,550	2,157
Consulting fees (notes 1 and 6)	39,600	17,000	189,311	48,500
Exploration and evaluation expenditures (note 4)	(3,414)	(14,003)	86	2,565
Filing fees	4,950	3,946	12,868	14,213
Interest and bank charges	12	111	760	625
Legal fees (note 1)	42,011	7,012	114,247	8,145
Office expense	-	-	30	-
Rent	-	-	-	1,500
Share-based compensation (note 5)	-	-	166,200	-
Travel	-	326	646	830
Website	280	-	4,219	3,728
Net loss and comprehensive loss for the period	$ 90,439	$ 16,392	$ 534,582	$ 85,054
Basic and diluted loss per common share	$ 0.01	$ 0.00	$ 0.04	$ 0.01
Weighted average number of outstanding shares	14,134,242	9,794,527	14,004,731	9,821,426

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

PROJECT ONE RESOURCES LTD.

Condensed Interim Statements of Changes in Shareholders' Equity
(Unaudited - Expressed in Canadian Dollars)

	Common Shares				
	Number Outstanding	Amount $	Reserves $	Deficit $	Total Shareholders' Equity $
Balance, August 31, 2019	9,840,777	421,449	20,047	(275,893)	165,603
Exercise of warrants	3,750	573	(198)	-	375
Refund of share issuance costs	-	859	-	-	859
Cancellation of common shares (note 5)	(50,000)	(5,000)	-	5,000	-
Net loss and comprehensive loss of the period	-	-	-	(85,054)	(85,054)
Balance, May 31, 2020	9,794,527	417,881	19,849	(355,947)	81,783
Balance, August 31, 2020	13,924,777	1,152,897	134,469	(678,027)	609,339
Exercise of warrants	317,600	77,965	(6,205)	-	71,760
Share-based compensation	-	-	166,200	-	166,200
Cancellation of options (note 5)	-	-	(166,200)	166,200	-
Net loss and comprehensive loss of the period	-	-	-	(534,582)	(534,582)
Balance, May 31, 2021	14,242,377	1,230,862	128,264	(1,046,409)	312,717

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

PROJECT ONE RESOURCES LTD.
Condensed Interim Statements of Cash Flows
(Unaudted - Expressed in Canadian Dollars)

Nine months ended May 31,		**2021**		**2020**
Operating Activities				
Net loss for period	$	(534,582)	$	(85,054)
Non-cash item:				
Share-based compensation		166,200		-
Change in working capital balances:				
Receivables		7,897		2,663
Prepaid expenses		27,000		21,059
Accounts payable and accrued liabilities		11,295		13,019
Net Cash Used in Operating Activities		(322,190)		(48,313)
Financing Activities				
Exercise of warrants		60,325		375
Refund of share issuance costs		-		859
Related party loan		-		(10,395)
Net Cash Provided by (Used in) Financing Activities		60,325		(9,161)
Net Cash Decrease for Period		(261,865)		(57,474)
Cash, Beginning of Period		597,959		171,337
Cash, End of Period	$	336,094	$	113,863
Supplemental Cash Flow Information				
Funds from exercise of warrants in receivables	$	11,435	$	-
Amounts paid for interest	$	-	$	395
Amounts paid for taxes	$	-	$	-

There were no cash investing activities during the nine-month periods ended May 31, 2021 and 2020.

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Project One Resources Ltd. (the "Company") was incorporated under the *Business Corporations Act* (British Columbia) on March 22, 2018. On June 11, 2019, the Company completed its initial public offering ("IPO") and is now publicly traded on the Canadian Securities Exchange ("CSE") under the ticker PJO. The principal business of the Company is the acquisition, exploration and evaluation of resource properties.

The Company's head office is Suite 459 – 409 Granville Street, Vancouver, BC, V6C 1T2, and its registered office is Suite 1710 – 1177 West Hastings Street, Vancouver, BC, V6E 2L3.

In August 2020, the Company signed a non-binding letter of intent ("LOI") to purchase a 100% interest in two European cyber-security firms. The LOI outlined a proposed purchase price of 11,000,000 euros, which the Company would finance through a combination of debt and equity. In February 2021, the Company terminated the LOI due to COVID-19 related travel restrictions limiting the Company's ability to complete appropriate due diligence. During the nine-month period ended May 31, 2021, the Company incurred $156,135 in advertising and promotion, consulting fees and legal fees relating to this transaction.

The condensed interim financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. At present, the Company has no operating income. During the nine-month period ended May 31, 2021, the Company incurred a net loss of $534,582 (2020 - $85,054), and as of that date, had a deficit of $1,046,409 (August 31, 2020 - $678,027). Without additional financing, the Company may not be able to fund its ongoing operations and complete development activities. The Company intends to finance its future requirements through a combination of debt and/or equity issuance. There is no assurance that the Company will be able to obtain such financings or obtain them on favorable terms. These uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company will need to raise sufficient working capital to maintain operations. These condensed interim financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. The impact of the COVID-19 pandemic has major implications for all economic activity, including that of the Company. At this time, it is not possible to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business but believes that the COVID-19 Pandemic will likely have only a minimal impact on the Company's activities, most notably in curtailment of travel and access to projects due to travel and social distancing restrictions. There is no material disruption to the Company's current operations.

2. BASIS OF PRESENTATION

(a) Statement of compliance

These condensed interim financial statements are unaudited and have been prepared in accordance with International Accounting Standard ("IAS") 34 *Interim Financial Reporting* using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"). These condensed interim financial statements do not include all of the information required for full annual financial statements. These condensed interim financial statements should be read in conjunction with the annual financial statements for the year ended August 31, 2020.

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

(b) Basis of measurement

These condensed interim financial statements have been prepared on a historical cost basis, except for certain financial instruments classified as financial instruments at fair value through profit or loss, which are stated at fair value. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Approval of the condensed interim financial statements

These condensed interim financial statements were authorized for issue by the Audit Committee and Board of Directors on July 26, 2021.

3. SIGNIFICANT ACCOUNTING POLICIES

In preparing these condensed interim financial statements, the significant accounting policies were the same as those that applied to the Company's audited financial statements for the year ended August 31, 2020.

Use of estimates and judgments

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may vary from these estimates.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Accounting estimates will, by definition, seldom equal the actual results. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future years affected.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Critical Judgments

Going concern

The assessment of whether the going concern assumption is appropriate requires management to take into account all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties exist related to events or conditions that may cast significant doubt upon the Company's ability to continue as a going concern.

Significant Estimates and Assumptions

Inputs to the Black-Scholes option pricing model

The fair value of equity instruments is subject to the limitations of the Black-Scholes option pricing model, as well as other pricing models that incorporate market data and involves uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

4. MINERAL PROPERTY

(a) Christa-Aura Property, British Columbia, Canada

The Company acquired the Christa-Aura Property (the "Property"), located in British Columbia, consisting of five mineral titles, through issuance of 2,350,777 common shares fair valued at $23,508 from a director. In addition, the Company incurred acquisition and staking costs of $2,019 during the period from incorporation to August 31, 2018. No additional acquisition costs were incurred during the nine-month period ended May 31, 2021 or year ended August 31, 2020. During the year ended August 31, 2020, the Company impaired the property to $1, being the estimated fair value of the property, determined in accordance with level 3 of the fair value hierarchy.

(b) Exploration and evaluation costs

During the nine-month period ended May 31, 2021, the Company incurred $3,500 (2020 - $17,068) in exploration and evaluation expenditures and received a $3,414 (2020 - $14,503) *British Columbia Mining Exploration Tax Credit* (BCMETC) refund which was included as a recovery in exploration and evaluation expenditures.

(Unaudited - Expressed in Canadian Dollars)

4. MINERAL PROPERTY (Continued)

(b) Exploration and evaluation costs (Continued)

Details of exploration activities during the nine-month periods ended May 31, 2021 and 2020 are as follows:

Nine month-period ended	**May 31, 2021**	**May 31, 2020**
Engineering, geology, and project management	$ 3,500	$ 989
Geophysical	-	13,647
Technical report	-	2,432
BCMETC	(3,414)	(14,503)
Exploration and evaluation costs	$ 86	$ 2,565

5. SHAREHOLDERS' EQUITY

(a) Authorized

Unlimited number of common shares without par value.

(b) Issued and outstanding

14,242,377 (August 31, 2020 – 13,924,777) common shares without par value.

During the year ended August 31, 2019, the Company entered into an agreement with a vendor to provide website and marketing services. The Company and the vendor settled the terms of the arrangement whereby 50,000 common shares would be cancelled. The vendor had participated in the Company's IPO and the shares were issued at $5,000.

On February 28, 2020, 3,750 common shares were issued related to the exercise of warrants for proceeds of $375. The fair value related to these warrants of $198 was transferred from reserves to common shares.

During the nine-month period ended May 31, 2021, a total of 317,600 common shares were issued related to the exercise of warrants for proceeds of $71,760, of which $11,435 was not received until June 2021 and was included in accounts receivable at May 31, 2021. The fair value related to these warrants of $6,205 was transferred from reserves to common shares.

(c) Escrow shares

On August 28, 2018, the Company executed an escrow agreement with an escrow agent and a security holder where they have agreed to deposit 2,650,777 common shares in escrow. Under the escrow agreement, 10% of the shares were released upon completion of the IPO and 15% of the shares will be released every six months following listing. As at May 31, 2021, the Company had 1,192,849 (August 31, 2020 – 1,590,466) shares held in escrow.

(Unaudited - Expressed in Canadian Dollars)

5. SHAREHOLDERS' EQUITY (Continued)

(d) Stock options

The Company's stock option plan authorizes the issuance of options up to a maximum of 10% of the Company's issued shares. The exercise price of any option granted shall not be less than the fair market value of the shares at the time of the grant. The expiry date for each option, set by the Board of Directors at the time of issue, shall not be more than ten years after the grant date. Unless stipulated by the Board of Directors, options granted generally vest fully on the date of grant.

During the year ended August 31, 2020, the Company granted 850,000 stock options to directors. The stock options vested fully on grant.

During the nine-month period ended May 31, 2021, the Company granted 450,000 stock options to advisory board members and a consultant, all of which were cancelled in February 2021. The options vested fully on grant.

The fair value of the options granted during the nine-month period ended May 31, 2021 was calculated as $166,200 (year ended August 31, 2020 - $125,700) using the Black-Scholes option pricing model using the assumptions noted below. The volatility of 100% is based on industry standard for comparable companies without a historical volatility. Fair value is particularly impacted by stock price volatility, determined using historical price data for a term equivalent to the expected life of the option.

	9-month Period Ended May 31, 2021	**Year Ended August 31, 2020**
Risk-free interest rate	0.36%	0.45%
Expected life of options	5 years	5 years
Annualized volatility	100%	100%
Dividend rate	0%	0%

	9-month Period Ended May 31, 2021		**Year Ended August 31, 2020**	
	Number of share options	**Weighted average exercise price $**	**Number of share options**	**Weighted average exercise price $**
Outstanding, beginning of period	850,000	0.20	-	-
Granted	450,000	0.50	850,000	0.20
Cancelled	(450,000)	0.50	-	-
Outstanding, end of period	850,000	0.50	850,000	0.20

(Unaudited - Expressed in Canadian Dollars)

5. SHAREHOLDERS' EQUITY (Continued)

(d) Stock options (continued)

Number of options outstanding	Weighted average exercise price	Expiry dates	Weighted average remaining life (years)
850,000	$0.20	June 2, 2025	4.01

(e) Share warrants

	9-month Period Ended May 31, 2021		Year Ended August 31, 2020	
	Number of share purchase warrants	Weighted average exercise price $	Number of share purchase warrants	Weighted average exercise price $
Outstanding, beginning of period	3,744,306	0.29	380,000	0.10
Issued	-	-	3,578,056	0.30
Exercised*	(317,600)	0.23	(213,750)	0.10
Outstanding, end of period	3,426,706	0.30	3,744,306	0.29

*Weighted average market price on date of exercise for warrants exercised during the nine-month period ended May 31, 2021 was $0.26 per share (year ended August 31, 2020 - $0.49 per share).

Number of warrants outstanding	Weighted average exercise price	Expiry dates	Weighted average remaining life (years)
48,650	$0.10	June 11, 2021	0.03
3,378,056	$0.30	August 3, 2021	0.18

6. RELATED PARTY TRANSACTIONS

Key management personnel include persons having the authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Board of Directors and corporate officers.

During the nine-month period ended May 31, 2021, the Company incurred $108,000 (2020 - $45,000) in consulting fees with the officers of the Company. As at May 31, 2021, the total outstanding payables to related parties is $nil (August 31, 2020 - $3,150 due from)

6. RELATED PARTY TRANSACTIONS (Continued)

On April 10, 2019, the Company entered into a loan agreement with the CEO of the Company for $20,000. The loan bears interest at 5% per annum, due July 10, 2019 and subsequently extended to March 31, 2020 and again to May 31, 2020. During the nine-month period ended May 31, 2020, the Company repaid $10,395 of the loan balance and accrued interest. The remaining $10,000 was settled through the issuance of common shares during the three-month period ended August 31, 2020.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Credit risk for the Company is associated with its cash and receivables (net GST). The Company is not exposed to significant credit risk as its cash is placed with a major Canadian financial institution and the receivables of $11,435 are current and subsequently received in June 2021.

(b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company is not exposed to significant liquidity risk.

As at May 31, 2021, the Company has cash of $336,094 (August 31, 2020 - $597,959) available to apply against short-term business requirements and current liabilities of $35,309 (August 31, 2020 - $24,014). All of the liabilities presented as accounts payable and accrued liabilities are due within 90 days of May 31, 2021.

(c) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: foreign currency risk, interest rate risk and other price risk. The Company is not exposed to significant market risk.

(d) Determination of fair value

Financial instruments of the Company consist of cash, accounts receivable and accounts payable and accrued liabilities, all of which are included in these condensed interim financial statements. The amounts reflected in the condensed interim statements of financial position are carrying amounts and approximate their fair values due to their short-term nature.

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (Continued)

(d) Determination of fair value (Continued)

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 – Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3 – Inputs for assets or liabilities that are not based on observable market data.

8. CAPITAL MANAGEMENT

The Company has just commenced operations. It has not yet determined whether it will be successful in its endeavours and does not generate cash flows from operations. The Company's primary source of funds comes from the issuance of common shares and loans from related parties. The Company does not use other sources of financing that require fixed payments of interest and principal due to lack of cash flow from current operations and is not subject to any externally imposed capital requirements.

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company did not change its approach to capital management during the period ended May 31, 2021.

The Company defines its capital as shareholders' equity and related party loans. Capital requirements are driven by the Company's general operations. To effectively manage the Company's capital requirements, the Company monitors expenses and overhead to ensure costs and commitments are being paid.

9. SEGMENTED INFORMATION

The Company has one operating segment, acquisition, exploration and evaluation of resource properties, and all long-term assets of the Company are located in Canada.

10. SUBSEQUENT EVENTS

Subsequent to May 31, 2021:

(a) 48,650 warrants with an exercise price of $0.10 per common share were exercised.

(b) The Company entered into a non-binding letter of intent with Goldeneye Capital Ltd. (“Goldeneye”) to acquire 100% of the right, title and interest to two gold properties in Guyana known as the Tassawini and Harpy properties (the “Transaction”). On completion of the Transaction, the Company will pay Goldeneye the following consideration:

- USD$500,000 in cash;
- 50,000,000 common shares of the Company at a deemed issue price of $0.25 per share; and
- A net smelter return (“NSR”) of 3% with respect to the Tassawini property, with the option to repurchase 1.5% of the NSR for a one-time payment of USD$3,000,000.

Concurrent with the closing of the Transaction, the Company intends to complete a private placement for up to 5,000,000 units at a price of $0.25 per unit for gross proceeds of up to $1,250,000. Each unit is comprised of one common share and one half warrant with each full warrant being exercisable into one common share at $0.40 for one year.