

STEVENS GOLD NEVADA INC.

Condensed Interim Consolidated Financial Statements

Six months ended March 31, 2021

(Expressed in Canadian Dollars)

(unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

STEVENS GOLD NEVADA INC.Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	March 31, 2021 \$ (unaudited)	September 30, 2020 \$
ASSETS		
Current assets		
Cash	1,213,635	258,604
Amounts receivable	21,094	3,656
Prepaid expenses	103,277	–
Reclamation bond (Note 4)	18,281	19,392
Total current assets	1,356,287	281,652
Non-current assets		
Mineral property costs (Note 4)	5,114,316	–
Total assets	6,470,603	281,652
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	65,863	29,500
Non-current liabilities	65,863	29,500
Loan payable, net of a discount of \$13,034 (Note 5)	46,966	–
Total liabilities	112,829	29,500
Shareholders' equity		
Share capital (Note 7)	8,326,074	1,449,312
Share-based payment reserve	311,763	181,867
Deficit	(2,280,063)	(1,379,027)
Total shareholders' equity	6,357,774	252,152
Total liabilities and shareholders' equity	6,470,603	281,652

Nature of operations and continuance of business (Note 1)

Commitment (Note 13)

Subsequent event (Note 14)

Approved and authorized for issuance on behalf of the Board of Directors on May 27, 2021:

/s/ "Terry Fields"
Terry Fields, Director

/s/ "James Bordian"
James Bordian, Director

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

STEVENS GOLD NEVADA INC.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

(Expressed in Canadian dollars)

(unaudited)

	Three months ended March 31, 2021 \$	Three months ended March 31, 2020 \$	Six months ended March 31, 2021 \$	Six months ended March 31, 2020 \$
Expenses				
Consulting fees (Note 6)	259,629	13,000	392,735	13,000
Impairment of mineral property costs (Note 4)	–	–	6,615	–
Management fees (Note 5)	27,000	13,500	46,500	27,000
Mineral exploration costs (Note 4)	95,393	19,304	164,819	77,473
Office and miscellaneous (Note 6)	30,949	2,546	53,481	5,049
Professional fees	40,061	31,929	85,741	73,175
Rent (Note 5)	10,500	4,500	21,000	9,000
Share-based compensation (Note 9)	–	–	14,473	–
Interest	915	–	915	–
Transfer agent and filing fees	14,084	–	26,241	–
Wages and benefits	3,990	7,461	6,644	21,866
Total expenses	(482,521)	(92,240)	(819,164)	(226,563)
Other income or expense				
Government assistance (Note 5)	13,949	–	13,949	–
Loss on settlement of debt (Note 7)	–	–	(95,821)	–
Net loss and comprehensive loss for the period	(468,572)	(92,240)	(901,036)	(226,563)
Loss per share, basic and diluted	(0.01)	(0.01)	(0.03)	(0.01)
Weighted average shares outstanding	40,318,883	16,309,205	35,787,361	15,974,450

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

STEVENS GOLD NEVADA INC.

Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)
(unaudited)

	Share capital		Share-based payment reserve \$	Warrant reserve \$	Deficit \$	Total shareholders' equity \$
	Number of shares	Amount \$				
Balance, September 30, 2019	15,643,334	1,067,100	–	382,212	(641,338)	807,974
Special warrants converted to common shares	1,553,700	388,425	–	(388,425)	–	–
Special warrant issue costs converted to share issuance costs	–	(6,213)	–	6,213	–	–
Net loss for the period	–	–	–	–	(226,563)	(226,563)
Balance, March 31, 2020	17,197,034	1,449,312	–	–	(867,901)	581,411
Balance, September 30, 2020	17,197,034	1,449,312	181,867	–	(1,379,027)	252,152
Units issued for cash	9,114,115	1,805,273	–	–	–	1,805,273
Share issuance costs	–	(181,261)	64,220	–	–	(117,041)
Units issued to settle debt	461,109	126,805	52,016	–	–	178,821
Shares issued for services	313,199	100,000	–	–	–	100,000
Shares issued for acquisition of Lynx Gold Mining Corp.	14,744,798	4,423,440	–	–	–	4,423,440
Shares issued for finder's fee	1,000,000	300,000	–	–	–	300,000
Shares issued for mineral property option payment	1,000,000	300,000	–	–	–	300,000
Shares issued upon exercise of broker's warrants	7,200	2,505	(813)	–	–	1,692
Share-based compensation	–	–	14,473	–	–	14,473
Net loss for the period	–	–	–	–	(901,036)	(901,036)
Balance, March 31, 2021	43,837,455	8,326,074	311,763	–	(2,280,063)	6,357,774

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

STEVENS GOLD NEVADA INC.

Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(unaudited)

	Six months ended March 31, 2021 \$	Six months ended March 31, 2020 \$
Operating activities		
Net loss for the period	(901,036)	(226,563)
Items not involving cash:		
Impairment of mineral property costs	6,615	–
Interest	915	–
Loss on settlement of debt	95,821	–
Share-based compensation	14,473	–
Shares issued for services	28,571	–
Government assistance	(13,949)	–
Changes in non-cash operating working capital:		
Amounts receivable	(17,438)	(2,412)
Prepaid expenses	(31,848)	3,073
Accounts payable and accrued liabilities	10,674	(2,998)
Net cash used in operating activities	(807,202)	(228,900)
Investing activities		
Acquisition of exploration and evaluation assets	(6,615)	(33,862)
Cash acquired upon acquisition of Lynx Gold Mining Corp.	17,813	–
Net cash provided by (used in) investing activities	11,198	(33,862)
Financing activities		
Proceeds from issuance of units, net	1,688,232	–
Proceeds from exercise of broker's warrants	1,692	–
Proceeds from loan	60,000	–
Net cash provided by financing activities	1,749,924	–
Effect of foreign currency translation on cash	1,111	–
Change in cash	955,031	(262,762)
Cash, beginning of period	258,604	772,263
Cash, end of period	1,213,635	509,901
Non-cash investing and financing activities:		
Fair value of broker's warrants issued for share issuance costs	64,220	–
Shares issued for acquisition of Lynx Gold Mining Corp.	4,423,440	–
Shares issued for finder's fee	300,000	–
Shares issued for mineral property option payment	300,000	–
Shares issued for prepaid services	71,429	–
Units issued to settle debt	178,821	–

(The accompanying notes are an integral part of these condensed interim consolidated financial statements)

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements
Six Months Ended March 31, 2021
(Expressed in Canadian dollars)
(Unaudited)

1. Nature of Operations and Continuance of Business

Stevens Gold Nevada Inc. (the "Company") was incorporated under the Business Corporations Act in British Columbia on June 8, 2018 as 1167609 B.C. Ltd. On November 19, 2018, the Company changed its name to Stevens Gold Nevada Inc. The principal business of the Company is to acquire, explore, and develop mineral properties and ultimately seek earnings by exploiting mineral claims. The Company's registered office is located at 350 – 1650 West 2nd Avenue, Vancouver, BC.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will realize the carrying value of its assets and discharge its liabilities in the normal course of business for the foreseeable future. For the six months ended March 31, 2021, the Company had no revenues and incurred negative cash flow from operations of \$807,202. At March 31, 2021, the Company had an accumulated deficit of \$2,280,063. The continued operations of the Company are dependent on its ability to generate future cash flows or obtain additional financing through debt or equity. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company's liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors may cast significant doubt on the Company's ability to continue as a going concern. These condensed interim consolidated financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. Significant Accounting Policies

(a) Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including IAS 34, "*Interim Financial Reporting*".

These consolidated financial statements include the accounts of the Company, and its wholly owned subsidiaries, Lynx Gold Mining Corp., Lynx Gold Corp., and Lynx Exploration Corp. All inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, have been eliminated on consolidation.

These condensed interim consolidated financial statements have been prepared on a historical cost basis and are presented in Canadian dollars, which is the Company's, and its subsidiaries, functional currency.

(b) Use of Estimates and Judgments

The preparation of these condensed interim consolidated financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

Significant areas requiring the use of estimates include recoverability of mineral property costs, fair value of share-based compensation, and unrecognized deferred income tax assets. Actual results could differ from those estimates.

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements
Six Months Ended March 31, 2021
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2. Significant Accounting Policies (continued)

(b) Use of Estimates and Judgments (continued)

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

The application of the Company's accounting policy for mineral property costs requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available. If information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in the statement of operations in the period when the new information becomes available.

(c) Accounting Standards Issued But Not Yet Effective

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

3. Acquisition of Lynx Gold Mining Corp.

On November 3, 2020, the Company completed a share purchase agreement with Lynx Gold Mining Corp. ("LGMC") and the shareholders of LGMC (collectively, the "Vendors"), pursuant to which the Company acquired all of the issued and outstanding shares of LGMC from the Vendors for consideration of 14,744,798 common shares. LGMC has a subsidiary, Lynx Gold Corp ("LGC"), a British Columbia corporation. LGC itself has a subsidiary, Lynx Gold Exploration Corp., a Nevada corporation.

In connection with the acquisition, the Company was also required to issue 1,000,000 common shares as a finder's fee for the introduction of LGMC to the Millennium Property. The finder's fee was considered a transaction-related cost, and the Company recognize the fair value of the 1,000,000 shares of \$300,000 as part of the purchase price.

The acquisition of the LGMC shares has been accounted for as an asset acquisition as, at the time of the transaction, LGMC did not meet the definition of a business. The consideration paid has been allocated to the mineral property asset as at the date of acquisition. The purchase price of the acquisition has been allocated as follows:

Purchase Price	\$
Fair value of common shares issued to the Vendors	4,423,440
Fair value of common shares issued for finder's fee	300,000
	4,723,440
<hr/>	
Net Assets Acquired	\$
Cash	17,813
Mineral property costs (Note 4)	4,814,316
Accounts payable and accrued liabilities	(55,689)
Loans payable	(53,000)
	4,723,440

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements

Six Months Ended March 31, 2021

(Expressed in Canadian dollars)

(Unaudited)

4. Mineral Property Costs

Acquisition costs:

	Black Point Property \$	Millennium Property \$	Total \$
Balance, September 30, 2020	–	–	–
Additions	6,615	5,114,316	5,120,931
Impairment	(6,615)	–	(6,615)
Balance, March 31, 2021	–	5,114,316	5,114,316

Exploration costs:

Six months ended March 31, 2020:

	Black Point Property \$
Filing fees	21,428
Geological and geophysics	56,045
	77,473

Six months ended March 31, 2021:

	Black Point Property \$	Millennium Property \$	Total \$
Assays	17,784	5,739	23,523
Staking fees	–	39,035	39,035
Geological and geophysics	5,810	93,497	99,307
Travel	–	2,954	2,954
	23,594	141,225	164,819

(a) On October 10, 2018, the Company entered into a Letter of Intent (“LOI”) with Golden Pursuit Resources Ltd. (“GoldPur”) to earn up to a 60% interest in the Black Point Property located in Eureka County, Nevada, USA. Under the terms of the LOI, the Company will have the right to purchase a 60% interest in the property by making a payment of US\$500,000 at any time while the LOI or a follow-up lease/option to purchase agreement is in effect. Until the payment of the purchase price is made, the Company is to make annual lease payments, which shall not constitute a portion of the purchase price, as follows:

- US\$25,000 within 5 business days after signing (paid);
- US\$25,000 on or before October 10, 2019 (paid);
- US\$25,000 on or before October 10, 2020 (extended to December 9, 2020);
- US\$50,000 on or before October 10, 2021;
- US\$50,000 on or before October 10, 2022; and
- US\$100,000 on or before October 10, 2023 and annually thereafter.

GoldPur shall retain a 2% Net Smelter Return Royalty on the property.

On October 6, 2020, the Company entered into an amending agreement on the LOI to extend the payment of US\$25,000 originally due on October 10, 2020, to December 9, 2020 for consideration of \$6,515 (US\$5,000).

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements

Six Months Ended March 31, 2021

(Expressed in Canadian dollars)

(Unaudited)

4. Mineral Property Costs (continued)

On December 4, 2020, the Company terminated the LOI with GoldPur due to the disappointing drilling results. As at March 31, 2021, the Company fully impaired the acquisition costs related to the Black Point Property. As at March 31, 2021, the Company holds a reclamation bond for the Black Point Property of \$18,510 (US\$15,538) (September 30, 2020 – \$19,392 (US\$15,538)).

(b) On November 3, 2020, the Company assumed, through its acquisition of LGMC (Note 3), a Mineral Agreement (the “Agreement”) to earn a 100% interest in the Millennium Property located in Mojave County, Arizona. Under the terms of the Agreement, the Company is required to make the following payments:

- US\$25,000 upon signing the Agreement (paid);
- US\$130,000 and 1,000,000 common shares within 45 days of the effective date of the Agreement (paid and issued);
- US\$150,000 and 500,000 common shares prior to the first anniversary of the Agreement;
- US\$225,000 and 500,000 common shares prior to the second anniversary of the Agreement; and
- US\$475,000 prior to the third anniversary of the Agreement.

The Company is also required incur the following expenditures:

- US\$250,000 prior to the first anniversary of the Agreement;
- US\$500,000 prior to the second anniversary of the Agreement;
- US\$500,000 prior to the third anniversary of the Agreement; and
- US\$500,000 prior to the third anniversary of the Agreement.

The option may be exercised by the Company at any time during the term of the Agreement, but the Company must first complete all required payments under the Agreement. Following the exercise of the option, pre-production payments to the Owner will be required.

In the event that the Company obtains a technical report that demonstrates the positive feasibility of placing the property into commercial production, the Company shall become obligated to pay to Owner a one-time bonus 30 days after such study is completed which ranges between US\$1,000,000 and US\$4,000,000 depending on the results of the study.

5. Loan Payable

In February 2021, the Company opened a Canada Emergency Business Account (“CEBA”) and received a loan of \$60,000 funded by the Government of Canada. The loan is interest-free and may be repaid any time before December 31, 2022, at which time, if unpaid, the remaining balance will convert to a 3 year term loan at an interest rate of 5% per annum. If the Company repays the loan prior to December 31, 2022, there will be loan forgiveness of the loan of up to \$20,000.

Although the forgivable portion of the loan of \$20,000 is not repayable if the Company repays the amount of \$40,000 by December 31, 2022, this amount will be recognized in income when the Company has reasonable assurance that it will comply with the terms of early repayment of this aid. The Company measured the loan at a fair value of \$46,051 resulting in an adjustment of \$13,949 recognized in net loss as government assistance. During the six months ended March 31, 2021, the Company recognized accretion of the loan of \$915 increasing the carrying value of the loan payable to \$46,966.

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements

Six Months Ended March 31, 2021

(Expressed in Canadian dollars)

(Unaudited)

6. Related Party Transactions

- (a) During the six months ended March 31, 2021, the Company incurred management fees of \$40,500 (2020 – \$21,000) to the Chief Executive Officer (“CEO”) of the Company. As at March 31, 2021, the Company owed the CEO of the Company \$nil (September 30, 2020 – \$12,500), which is included in accounts payable and accrued liabilities. The amount is unsecured, non-interest bearing and due on demand.
- (b) During the six months ended March 31, 2021, the Company incurred management fees of \$6,000 (2020 – \$6,000) to the Chief Financial Officer (“CFO”) of the Company.
- (c) During the six months ended March 31, 2021, the Company incurred wages of \$nil (2020 – \$13,000) and consulting fees of \$33,000 (2020 – \$7,000) to the son of the CFO of the Company and a company controlled by the son of the CFO of the Company, respectively.
- (d) During the six months ended March 31, 2021, the Company incurred rent of \$21,000 (2020 – \$9,000), and office and miscellaneous of \$1,500 (2020 – \$1,500) to a company with common officers and directors of the Company.

7. Share Capital

Authorized: Unlimited number of common shares without par value.

During the six months ended March 31, 2021

- (a) On November 3, 2020, the Company issued 14,744,798 common shares in exchange for 100% of the issued and outstanding common shares of Lynx Gold Mining Corp. (Note 3).
- (b) On November 3, 2020, the Company issued 1,000,000 common shares with a fair value of \$300,000 as an option payment pursuant to the Mineral Agreement for the Millennium Property (Note 4).
- (c) On November 10, 2020, the Company issued 1,000,000 common shares with a fair value of \$300,000 pursuant to a consulting agreement entered into by LGMC prior to being acquired by the Company. Pursuant to the consulting agreement, LGMC agreed to issue 1,000,000 common shares of LGMC, or its parent company, upon entering into the Mineral Agreement for the Millennium Property (Note 3).
- (d) On November 12, 2020, the Company completed a private placement of 4,995,800 units at \$0.18 per unit for gross proceeds of \$899,244. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at \$0.235 per share for a period of two years following the closing date. In connection with the private placement, the Company incurred finder’s fees and other issuance costs of \$48,511 and issued 269,504 broker warrants with a fair value of \$30,401, which are exercisable at \$0.235 per share for a period of 2 years following the closing date.
- (e) On November 12, 2020, the Company issued 461,109 units with a fair value of \$178,821, of which \$126,805 was allocated to the fair value of common shares and \$52,016 was allocated to the fair value of warrants, to settle debt of \$83,000, which resulted in a loss on settlement of debt of \$95,821. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at \$0.235 per share for a period of 2 years following the closing date.
- (f) On February 16, 2021, the Company issued 313,199 common shares with a fair value of \$100,000 for services (Note 13).

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements

Six Months Ended March 31, 2021

(Expressed in Canadian dollars)

(Unaudited)

7. Share Capital (continued)

(g) On February 25, 2021, the Company completed a private placement of 4,118,315 units at \$0.22 per unit for gross proceeds of \$906,029. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at \$0.28 per share for a period of two years following the closing date. In connection with the private placement, the Company incurred finder's fees of \$66,930 and issued 304,228 broker warrants with a fair value of \$33,819, which are exercisable at \$0.28 per share for a period of 2 years following the closing date.

(h) On March 2, 2021, the Company issued 7,200 common shares upon the exercise of broker warrants at \$0.235 per share for proceeds of \$1,692. The original fair value of the broker warrants of \$813 was reclassified from share-based payment reserve to share capital upon exercise.

8. Warrants

The following table summarizes information about the warrants at March 31, 2021, and the changes for the period then ended:

	Number of warrants	Weighted average exercise price \$
Balance, September 30, 2020	–	–
Issued	10,148,956	0.255
Exercised	(7,200)	0.235
Balance, March 31, 2021	10,141,756	0.255

The Company's warrants are exercisable only for common shares. The following table summarizes information about warrants outstanding and exercisable at March 31, 2021:

Exercise price \$	Expiry date	Warrants outstanding	Weighted average remaining contracted life (years)
0.235	November 12, 2022	5,719,213	1.62
0.280	February 25, 2023	4,422,543	1.91

9. Stock Options

The following table summarizes the continuity of the Company's stock options:

	Number of options	Weighted average exercise price \$
Outstanding, September 30, 2020	1,600,000	0.25
Granted	150,000	0.275
Outstanding and exercisable, March 31, 2021	1,750,000	0.25

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements
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(Expressed in Canadian dollars)
(Unaudited)

9. Stock Options (continued)

Additional information regarding stock options outstanding as at March 31, 2021, is as follows:

Outstanding and exercisable		
Number of options	Weighted average remaining contracted life (years)	Weighted average exercise price
1,600,000	4.47	0.25
150,000	1.65	0.275
1,750,000	4.23	0.25

Share-based compensation expense is determined using the Black-Scholes option pricing model. During the six months ended March 31, 2021, the Company recognized share-based compensation expense of \$14,473 (2020 – \$nil) in share-based payment reserve. The weighted average fair value of each option granted during the six months ended March 31, 2021, was \$0.10 (2020 – \$nil) per share.

Weighted average assumptions used in calculating the fair value of share-based compensation expense are as follows:

	2021	2020
Risk-free interest rate	0.27%	–
Dividend yield	0%	–
Expected volatility	64%	–
Expected life (years)	2	–

10. Fair Value Measurements and Risk Management

(a) Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of 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 fair values of the Company's financial instruments, which include cash, amounts receivable, accounts payable and accrued liabilities, and loan payable approximate their carrying values due to the relatively short-term maturity of these instruments.

(b) Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash with high credit quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure.

STEVENS GOLD NEVADA INC.

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10. Fair Value Measurements and Risk Management (continued)

(c) Foreign Exchange Rate Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's functional and reporting currency is the Canadian dollar. The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. As at March 31, 2021, the Company has a cash balance of US\$292,995 and has mineral property option agreement obligations (refer to Note 4) and mineral exploration expenses denominated in U.S. dollars. The Company has not entered into foreign exchange rate contracts to mitigate this risk.

(d) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

(e) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Company manages liquidity risk by maintaining sufficient cash balances and adjusting its operating budget and expenditure. Liquidity requirements are managed based on expected cash flows to ensure that there is sufficient capital in order to meet short-term and other specific obligations.

(f) Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

11. Capital Management

The Company's objectives when managing capital are to raise the necessary equity financing to fund its projects and to manage the equity funds raised which best optimizes its programs and the interests of its equity shareholders at an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may raise additional equity funds. The Company is not subject to externally imposed capital requirements.

12. Segmented Information

The Company operates in one industry, the mineral resource industry, with all current exploration activities conducted in the United States.

13. Commitment

On February 8, 2021, the Company entered into a consulting agreement with a term commencing February 8, 2021 and ending August 8, 2021 for a fee of \$100,000 payable in common shares of the Company. On February 16, 2021, the Company issued 313,199 common shares with a fair value of \$100,000, of which \$71,429 is included in prepaid expenses at March 31, 2021.

STEVENS GOLD NEVADA INC.

Notes to the Condensed Interim Consolidated Financial Statements

Six Months Ended March 31, 2021

(Expressed in Canadian dollars)

(Unaudited)

14. Subsequent Event

On April 12, 2021, the Company filed a Certificate of Amalgamation, whereby the Company and its wholly-owned subsidiaries, Lynx Gold Mining Corp., and Lynx Gold Corp., were amalgamated as one company under the name Stevens Gold Nevada Inc.