Gold Lion Resources Inc.

Unaudited Condensed Consolidated Interim Financial Statements

For the Three Months Ended September 30, 2022 and 2021
(Expressed in Canadian dollars)

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 interim financial statements, they must be accompanied by a notice indicating that an auditor has not reviewed the financial statements.

The accompanying unaudited interim financial statements of Gold Lion Resources Inc. (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 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.

Gold Lion Resources Inc.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)

		As at September 30, 2022		As at June 30, 2022 (Audited)
Assets				
Current				
Cash	$	570,683	$	1,055,552
Sales tax receivable		15,618		9,048
Prepaid expenses and deposits (Note 13)		358,983		278,985
		945,284		1,343,585
Non-current assets				
Exploration and evaluation asset (Notes 4, 5)		1,282,440		1,080,393
Intangible asset (Note 7)		436,857		-
Total Assets	**$**	**2,664,580**	**$**	**2,423,978**
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 8)	$	175,012	$	163,792
Total Liabilities		**175,012**		**163,792**
Shareholders' Equity				
Share capital (Note 6)		9,761,824		9,071,824
Equity reserve (Note 6)		1,414,589		1,438,281
Deficit		(8,686,845)		(8,249,919)
Total Shareholders' Equity		2,489,568		2,260,186
Total Liabilities and Shareholders' Equity	**$**	**2,664,580**	**$**	**2,423,978**

Nature of operations and going concern (Note 1)

Subsequent event (Note 14)

Approved on behalf of the Board on November 28, 2022:

"David Beck"
David Beck, Director

"Guy Bourgeois"
Guy Bourgeois, Director

The accompanying notes are an integral part of the consolidated financial statements.

Gold Lion Resources Inc.
Condensed Consolidated Interim Statement of Comprehensive Loss
(Unaudited)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021
Expenses		
Consulting fees (Note 8)	$ 139,420	$ 36,488
Amortization (Note 7)	24,484	-
Legal	42,481	8,146
Audit and accounting	9,000	3,100
Investor relations	208,385	-
Management fee	29,250	-
General and administrative	7,598	17,687
Share-based compensation (Notes 6, 8)	10,660	-
	(471,278)	(64,421)
Other Items		
Impairment of exploration and evaluation assets (Note 5)	-	(24,864)
Interest income	-	2,482
Foreign exchange	-	(219)
Net and comprehensive loss	**$ (471,278)**	**$(88,022)**
Loss per common share – basic and diluted	**$ (0.01)**	**$ (0.00)**
Weighted average number of common shares outstanding	**66,487,265**	**35,487,589**

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

Gold Lion Resources Inc.
Condensed Consolidated Interim Statements of Changes in Shareholders' Equity
(Unaudited)

	Share Capital				
	Number	Amount	Equity reserve	Deficit	Total
Balance, June 30, 2021	**37,869,487**	**8,069,324**	**1,286,346**	**(2,879,909)**	**6,475,761**
Net and comprehensive loss	-	-	-	(1,426,381)	(1,426,381)
Balance, September 30, 2021	**37,869,487**	**8,069,324**	**1,286,346**	**(2,967,931)**	**6,387,739**
Balance, June 30, 2022	**57,919,487**	**$ 9,071,824**	**$ 1,438,281**	**$ (8,249,919)**	**$ 2,260,186**
Shares issued for acquisitions	**10,300,000**	**415,000**	**-**	**-**	**415,000**
Shares issued for acquisition – to be returned (Note 13)	**5,000,000**	**275,000**	**-**	**-**	**275,000**
Share-based compensation (Note 6)	**-**	**-**	**10,660**	**-**	**10,660**
Options expired (Note 6)	**-**	**-**	**(34,352)**	**34,352**	**-**
Net and comprehensive loss	**-**	**-**	**-**	**(471,278)**	**(471,278)**
Balance, September 30, 2022	**73,219,487**	**$ 9,761,824**	**$ 1,414,589**	**$ (8,686,845)**	**$ 2,489,568**

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

Gold Lion Resources Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)

	Three Months Ended September 30, 2022	Three Months Ended September 30, 2021
Operating activities		
Net loss for the year	$ (471,578)	$ (88,022)
Item not affecting cash:		
Share-based compensation	10,660	-
Amortization	24,484	-
Changes in non-cash working capital balances:		
Prepaid expenses and deposits	195,002	(56,340)
Sales tax receivable	(6,570)	35,081
Accounts payable and accrued liabilities	(50,120)	12,819
Net cash used by operating activities	**(297,822)**	**(96,462)**
Investing activity		
Exploration and evaluation expenditures	(187,047)	(310,711)
Net cash used by investing activity	**(187,047)**	**(310,711)**
Change in cash	(484,869)	(407,173)
Cash, beginning of year	1,055,552	2,189,630
Cash, end of year	**$ 570,683**	**$1,782,457**

Supplemental Cash Flow Information (Note 11)

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

1. NATURE OF OPERATIONS AND GOING CONCERN

The Company was incorporated under the *Business Corporations Act* (British Columbia) on October 5, 2018 under the name "Blue Lion Holdings Inc.". The Company changed its name to "Gold Lion Resources Inc." on November 15, 2018. The Company's head office is located at #305-1770 Burrard Street, Vancouver, British Columbia, V6J 3G7, and its registered and records office is located #810-789 West Pender Street, Vancouver, British Columbia, V6C 1H2.

The Company is engaged in the business of mineral exploration in British Columbia, Canada and Idaho, United States.

These condensed consolidated interim financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its commitments, continue operations and realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. During the three months ended September 30, 2022, the Company incurred a net loss of $471,278 (2021 - $88,022), used net cash from operations of $297,822 (2021 - $96,462) and at September 30, 2022, the Company's net working capital is $770,272 (2021 - $1,179,793).

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic, which has adversely affected global workforces, financial markets, and the general economy. It is not possible for the Company to determine the duration or magnitude of the adverse results of COVID-19 nor its effects on the Company's business or operations. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in fiscal 2023.

The Company expects to incur losses in the development of its business, has no source of operating cash flow, and provides no assurances that sufficient funding, including adequate financing, will be available to conduct further exploration and development of its mineral properties. These events and conditions indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Management intends to finance operating costs with the proceeds from equity financings, and its current working capital; however, there is no assurance that the Company will be successful in these actions.

These condensed consolidated interim financial statements do not include any adjustments relating to the realization of assets and liquidation of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PREPARATION

a) Basis of Presentation

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting ("IAS34") using accounting policies consistent with International Financial Reporting Standards ("IFRS").

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") on a historical cost basis except for financial instruments that have been measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The condensed consolidated interim financial statements are presented in Canadian dollars and are prepared in accordance with the same accounting policies, critical estimates and methods described in the Company's annual consolidated financial statements, except for the adoption of new accounting standards and/or estimates identified in Note 3. Given that certain information and disclosures, which are included in the annual audited consolidated financial statements, have been condensed or excluded in accordance with IAS 34, these financial statements should be read in conjunction with our annual audited consolidated financial statements as at and for the year ended June 30, 2022, including the accompanying notes thereto.

Expressed in Canadian dollars

2. BASIS OF PREPARATION (continued)

b) Basis of Consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its subsidiaries. The financial statements of the subsidiaries are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All inter-company balances, transactions, income and expenses have been eliminated upon consolidation.

Subsidiaries:

Subsidiaries are entities controlled by the Company. Control exists when the Company is exposed, or has rights to, variable returns from its involvement with the investee and has the ability to use its power over the investee to affect those returns.

The principal subsidiaries of the Company as of September 30, 2022 are as follows:

Name of subsidiary	Principal activity	Place of Incorporation	Ownership Interest September 30, 2022	Ownership Interest June 30, 2022
1238339 BC LTD. ("123 LTD.")	Mineral exploration	Canada	100%	100%
1000173975 Ontario Inc.	Mineral exploration	Canada	100%	100%
Gold Lion Resources (NV) Inc.	Mineral exploration	USA	100%	100%
Ohadi Geox Inc.	Mineral exploration	USA	100%	100%
Sustainable Li-Ion Research Inc. ("SLIR")	Recycling lithium-ion batteries	Canada	100%	-
1283742 B.C.	Recycling lithium-ion batteries	Canada	100%	-

Foreign currency translation:

The presentation currency of the condensed consolidated interim financial statements is the Canadian dollar. The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the group. The Company considers the functional currency for itself and each of its subsidiaries to be the Canadian dollar.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the date of transaction. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the consolidated statement of financial position date, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation of foreign currency-denominated transactions or balances are recorded as a component of profit or loss in the period in which they occur.

Use of estimates and judgments

The preparation of condensed consolidated interim financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the condensed consolidated interim 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. The most significant accounts that require estimates as the basis for determining the stated amounts include the estimate of assumptions around share-based awards and payments and recoverability of exploration and evaluation assets. Note 6 describes the inputs to the Black-Scholes option pricing model used to value share-based awards and note 5 describes circumstances around impairment decisions on exploration and evaluation assets. Should the inputs management has used in coming to those estimates be determined to be incorrect, the results could be materially different.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Exploration and evaluation assets

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination.

Pre-exploration costs are expensed in the period in which they are incurred. All costs related to the acquisition, and exploration of mineral properties are capitalized by property until the commencement of commercial production. As the options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as property costs or recoveries when the payments are made or received. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are assessed annually for indicators of impairment. An exploration and evaluation asset is deemed to have an indicator of impairment if the period for which the Company has the right to explore the property has expired or is not expected to be renewed, substantive expenditure on further exploration and evaluation of mineral resources is neither budgeted nor planned, exploration and evaluation activities have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities for the specific property, or if sufficient data exists to indicate that development of a specific property would be unlikely to recover the carrying amount of the associated capitalized exploration and evaluation expenditures.

If there is an indication of impairment, the Company determines the recoverable amount of the specific exploration and evaluation asset as the greater of the asset's value in use or fair value less costs of disposal, and comparing this to the carrying amount as at the reporting date. If the carrying amount exceeds the recoverable amount, those exploration and evaluation expenditure costs, in excess of estimated recoveries, are written off to profit or loss as an impairment loss.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the mineral property is considered to be a mine under development and is classified as "mining assets". Exploration and evaluation expenditures accumulated are also tested for impairment before the property costs are transferred to mining assets.

b) Intangible assets

Intangible assets are recorded at cost less accumulated amortization and any impairment losses. Intangible assets acquired in a business combination are measured at fair value at the acquisition date. Amortization of finite useful life intangibles is calculated on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any, over the following terms:

License Agreement – Over the duration of the license agreement

The estimated useful lives, residual values and amortization methods are reviewed annually and any changes in estimates are accounted for prospectively. Intangible assets with an indefinite useful life or not yet available for use are not subject to amortization.

Research costs are expensed as incurred. Development expenditures are capitalized only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development to use or sell the asset. Other development expenditures are recognized as research and development expenses in profit or loss as incurred.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Business combination

A business combination is a transaction or event in which an acquirer obtains control of one or more businesses and is accounted for using the acquisition method. The total consideration paid for the acquisition is the fair value equity instruments issued in exchange for control of the acquiree at the acquisition date. The acquisition date is the date when the Company obtains control of the acquiree. The identifiable assets acquired and liabilities assumed are recognized at their acquisition date fair values, except for deferred taxes and share based payment awards where IFRS provides exceptions to recording the amounts at fair value. Goodwill represents the difference between total consideration paid and the fair value of the net-identifiable assets acquired. Acquisition costs incurred are expensed in profit or loss.

Contingent consideration is measured at its acquisition date fair value and is included as part of the consideration transferred in a business combination, subject to the applicable terms and conditions. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IFRS 9 Financial Instruments with the corresponding gain or loss recognized in profit or loss.

Based on the facts and circumstances that existed at the acquisition date, management will perform a valuation analysis to allocate the purchase price based on the fair values of the identifiable assets acquired and liabilities assumed on the acquisition date. Management has one year from the acquisition date to confirm and finalize the facts and circumstances that support the finalized fair value analysis and related purchase price allocation. Until such time, these values are provisionally reported and are subject to change. Changes to fair values and allocations are retrospectively adjusted in subsequent periods.

In determining the fair value of all identifiable assets acquired and liabilities assumed, the most significant estimates generally relate to contingent consideration and intangible assets. Management exercises judgment in estimating the probability and timing of when earn-outs are expected to be achieved, which is used as the basis for estimating fair value. Identified intangible assets are fair valued using appropriate valuation techniques which are generally based on a forecast of the total expected future net cash flows of the acquiree. Valuations are highly dependent on the inputs used and assumptions made by management regarding the future performance of these assets and any changes in the discount rate applied.

Acquisitions that do not meet the definition of a business combination are accounted for as asset acquisitions. Consideration paid for an asset acquisition is allocated to the individual identifiable assets acquired and liabilities assumed based on their relative fair values. Asset acquisitions do not give rise to goodwill.

c) New standards and interpretations not yet applied

New accounting standards and 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 condensed consolidated interim financial statements.

4. ACQUISITIONS

1000173975 ONTARIO INC.

On June 6, 2022, the Company acquired, through the purchase of 1000173975 Ontario Inc. ("1000173975"), an option agreement for the Black Lake Mineral Property (the "Property"), which is located in northern Saskatchewan. The Property presents an opportunity with respect to battery metals, including Cobalt, Nickel, Copper and Gold.

Under the terms of the agreement, the Company issued 20,000,000 common shares with a fair value of $0.05 per share to the shareholders of 1000173975.

Expressed in Canadian dollars

4. ACQUISITIONS (continued)

This acquisition did not meet the definition of a business under IFRS 3; therefore, the acquisition of 1000173975 was treated as an acquisition of assets. The fair value of the assets acquired as at the date of acquisition were as follows:

Net assets acquired		
Exploration and evaluation assets	$	**1,080,393**
Accounts payable		**(50,000)**
Total	$	**1,030,393**

Consideration		
Fair value of 20,000,000 common shares issued (Notes 5 and 6)	$	**1,000,000**
Acquisition related costs		**30,393**
Total	$	**1,030,393**

SUSTAINABLE LI-ION RESEARCH INC.

On July 20, 2022, the Company entered into a Share Purchase Agreement ("SPA") and acquire 100% of Sustainable Li-Ion Research Inc. ("SLIR"). SLIR's primary asset is a license agreement and sponsored research agreement in the field of recycling lithium-ion batteries. SLIR has a wholly owned subsidiary 1283745 B.C.

Pursuant to the SPA, the Company issued 10,000,000 common shares to SLIR's shareholders with a fair value of $400,000 on July 22, 2022. SLIR does not meet the definition of a business in accordance with IFRS 3, and as a result, the acquisition is considered an asset acquisition. The fair value of the assets acquired as at the date of acquisition were as follows:

Net assets acquired		
Intangible asset – license (Note 7)	$	**461,340**
Accounts payable		**(61,340)**
Total	$	**400,000**

Consideration		
Fair value of 10,000,000 common shares issued (Note 6)	$	**400,000**
Total	$	**400,000**

5. EXPLORATION AND EVALUATION ASSET

Fairview Property

On December 10, 2018, the Company entered into an agreement with Christopher Paul, Oliver Friesen, and 1132902 BC Ltd. to option a 100% interest in the Fairview Property (the "Property"). The Property consists of two mineral titles located in the Kamloops Mining District, British Columbia.

The agreement is subject to a 2% net smelter return ("NSR"). The Company may purchase one third of the NSR for total consideration of $1,000,000 at any time prior to such time when:

(i) the concentrator processing ores, for other than testing purposes, has operated for a period of 45 consecutive days at an average rate of not less than 70% of design capacity; or
(ii) if a concentrator is not erected on the Property, when ores have been produced for a period of 45 consecutive production days at a rate of not less than 70% of the mining rate specified in a study and mine plane recommending placing the Property in production.

5. EXPLORATION AND EVALUATION ASSET (continued)

Fairview Property (continued)

The option will terminate if the Company does not complete all the following within the relevant time period:

(i) Make cash payment of $32,000 upon 60 days of signing of the agreement (paid);
(ii) Incur minimum exploration expenditures of $75,000 by December 31, 2019 (incurred);
(iii) Issuing an aggregate of 255,320 common shares between January 1, 2020 and December 31, 2020 (issued, notes 6 and 8);
(iv) Incur exploration expenditures of $250,000 between January 1, 2021 and December 31, 2021 (not met); and
(v) Incur exploration expenditures of $500,000 between January 1, 2022 and December 31, 2022.

The Company did not fulfill the required exploration expenditures between January 1, 2021 and December 31, 2021, and as such the option agreement terminated and management impaired the property to $Nil.

Cuteye Group Properties

On January 24, 2020, the Company completed the acquisition of the Cuteye Group of Properties for $1,800,000 (Note 6). The properties include the Mister Jay, Lady Jane, Lama, and Missus Jay claim blocks near Glenora, British Columbia.

During the year-ended June 30, 2022, the Company impaired the property to $Nil as a result of lapsed claims.

Robber Gulch/South Orogrande/Erikson Ridge

On April 7, 2020, the Company's wholly-owned subsidiary, Gold Lion Resources (NV) Inc., entered into an option agreement to earn 100% interest in the South Orogrande, Robber Gulch, and Erikson Ridge gold projects (the "Projects") in Idaho from Bronco Creek Exploration Inc., a wholly-owned subsidiary of EMX Royalty Corp ("EMX").

Each Project is covered by a separate exploration and option agreement (each, an "Agreement"), with identical terms (as described below). Pursuant to each Agreement, the Company can exercise its option to earn 100% interest in the respective Project by completing the following milestones on or before the dates indicated:

(i) Make a cash payment of US$15,000 and issue 200,000 common shares upon of signing of the agreement (paid and issued for all three projects, Note 6);
(ii) Make a cash payment of US$25,000 and incur minimum exploration expenditures of US$100,000 on or before July 7, 2021 (paid and met for all three projects);
(iii) Make a cash payment of US$40,000 and issue 250,000 common shares and incur minimum exploration expenditures of US$200,000 on or before April 7, 2022 (not met);
(iv) Make a cash payment of US$70,000 and incur minimum exploration expenditures of US$300,000 on or before April 7, 2023;
(v) Make a cash payment of US$150,000 and incur minimum exploration expenditures of US$400,000 on or before April 7, 2024; and
(vi) Make cash payment of US$300,000 and issue 500,000 common shares and incur minimum exploration expenditures of US$500,000 on or before April 7, 2025.

For cash option payments beginning on the 2nd anniversary to the 5th anniversary of the effective date, the Company may elect to pay half of the value of the option payments through the issuance of common shares.

Upon the Company's exercise of the option for a Project, EMX will retain a 3.5% NSR royalty on the Project, of which the Company may purchase up to 1.0% of the NSR (the first 0.5% for 350 ounces of gold or cash equivalent prior to the third anniversary after exercise of the option, then the remaining 0.5% can be purchased at any time thereafter, until commercial production, for 1,150 ounces of gold or cash equivalent). The Company may, at its election, make up to one-half of the payment for the first 0.5% through the issuance of common shares. After exercise of the option, annual advance royalty ("AAR") payments are due starting at US$30,000 on the first anniversary of the exercise of the option and increasing by US$10,000 per year to a maximum of US$80,000 per year. All AAR payments cease upon commencement of commercial production from a Project.

5. EXPLORATION AND EVALUATION ASSET (continued)

Robber Gulch/South Orogrande/Erikson Ridge (continued)

In addition, the Company will make milestone payments for a given Project to EMX consisting of:

- 300 ounces of gold upon completion of a Preliminary Economic Assessment;
- 550 ounces of gold upon completion of a Pre-Feasibility Study; and
- 650 ounces of gold upon completion of a Feasibility Study.

The Company may elect to make any such milestone payments in cash or in kind as refined bullion.

As of June 30, 2021, management decided not to continue with the Robber Gulch option agreement and subsequent to June 30, 2021 provided notice to Bronco Creek Exploration Inc. of its intention to terminate the option agreement. Accordingly, at June 30, 2021, the Company recognized an impaired charge of $695,948 to reduce the exploration and evaluation assets at Rubber Gulch to $nil.

On March 24, 2022, the Company terminated its South Orogrande and Erickson Ridge option agreements and consequently, impaired the properties to $nil.

South Orogrande Extension

On July 15, 2020, the Company acquired, through the purchase of Ohadi GeoEx Inc., four additional gold properties, The Doc, Majestic, Mammoth, and Red Cloud, which lie to the south of Gold Lion's South Orogrande property (Note 6). During the year ended June 30, 2022, the Company determined that it would not pursue the South Orogrande Extension further, and consequently, the properties were impaired to $Nil.

Black Lake Mineral Property

On June 6, 2022 (the "Effective Date"), the Company acquired, through the purchase of 1000173975, an option agreement (the "Option Agreement") for the Black Lake Mineral Property, which is located in northern Saskatchewan.

Pursuant to the Option Agreement, the Company can exercise its option to earn 100% interest in the Black Lake Mineral Property by completing the following milestones on or before the dates indicated:

- Make a cash payment of $50,000 thirty days from the Effective Date (paid by 1000173975);
- Make a cash payment of $50,000 and expend $100,000 in exploration and evaluation expenditures 12 months from the Effective Date;
- Make a cash payment of $50,000 and expend $100,000 in exploration and evaluation expenditures 24 months from the Effective Date;
- Make a cash payment of $50,000 and expend $100,000 in exploration and evaluation expenditures 26 months from the Effective Date;
- Issue 300,000 common shares within 6 months from the Effective Date (issued) (Note 6);
- Issue 300,000 common shares within 12 months from the Effective Date;
- Issue 300,000 common shares within 24 months from the Effective Date; and
- Issue 300,000 common shares within 26 months from the Effective Date.

The Option Agreement is subject to a 2% net smelter return, of which ½ can be purchased back for $1,000,000.

Expressed in Canadian dollars

5. EXPLORATION AND EVALUATION ASSET (continued)

The continuity of the Company's exploration and evaluation assets, which are classified as intangible assets, is as follows:

	Fairview $	South Orogrande $	Erickson Ridge $	Cuteye $	Black Lake $	Total $
Acquisition Costs						
Balance, June 30, 2021	**167,320**	**91,200**	**91,200**	**1,800,000**	**-**	**3,605,720**
Incurred during the year	-	31,670	31,670	-	1,080,393	1,143,733
Balance, June 30, 2022	**167,320**	**122,870**	**122,870**	**1,800,000**	**1,080,393**	**4,749,453**
Deferred Exploration Costs						
Balance, June 30, 2021	**58,427**	**381,458**	**252,862**	**-**	**-**	**699,182**
Drilling	-	132,485	-	-	-	132,485
Equipment rental	-	12,609	2,937	-	-	15,546
Geological and geophysical	-	31,961	-	-	-	31,961
Project preparation and support	-	22,551	3,985	576	-	27,112
Permitting	-	13,341	-	-	-	13,341
Sampling and analysis costs	-	25,889	56,472	-	-	82,361
Travel and accommodations	-	12,812	-	-	-	12,812
Report and data compilation	-	-	13,111	-	-	13,111
Taxes and mineral claims	-	91,461	23,233	500	-	115,194
Balance, June 30, 2022	**58,427**	**724,567**	**352,600**	**1,076**	**-**	**1,143,105**
Impairment	(225,747)	(847,437)	(475,470)	(1,801,076)	-	(4,812,165)
Total exploration and evaluation	**-**	**-**	**-**	**-**	**1,080,393**	**1,080,393**

Expressed in Canadian dollars

5. EXPLORATION AND EVALUATION ASSET (continued)

	Black Lake $	Total $
Acquisition Costs		
Balance, June 30, 2022	**1,080,393**	**1,080,393**
Incurred during the period	15,000	15,000
Balance, September 30, 2022	**1,095,393**	**1,095,393**
Deferred Exploration Costs		
Balance, June 30, 2022	**-**	**-**
Geological and geophysical	71,440	71,440
Taxes and mineral claims	115,608	115,608
Balance, September 30, 2022	**187,047**	**187,047**
Total exploration and evaluation	**1,282,440**	**1,282,440**

6. SHARE CAPITAL

Authorized and Issued:
- Unlimited common shares without par value; and
- 53,469,487 shares issued and outstanding

691,650 shares are held in escrow and will be released by November 13, 2022.

Issuances:

During the period ended September 30, 2022, the Company issued the following shares:

- On July 5, 2022, the Company issued 300,000 common shares to the Optionors with a fair value of $15,000 in satisfaction of the first share issuance due pursuant to the Option Agreement for the Black Lake Mineral Property (Note 5).
- On July 22, 2022, the Company issued 10,000,000 common shares with a fair value of $400,000 pursuant to the acquisition of SLIR (Note 4).
- On September 21, 2022, the Company issued 5,000,000 common shares with a fair value of $275,000 pursuant to a mineral option agreement (Note 13).

During the year ended June 30, 2022, the Company issued the following shares:

- On June 6, 2022, the Company issued 20,000,000 common shares with a fair value of $1,000,000 pursuant to the acquisition of 1000173975 Ontario Inc. (Note 4).
- On June 10, 2022, the Company issued 50,000 common shares and 50,000 warrants for $2,500 pursuant to the conversion of warrants. The Company's shares on the date of conversion were trading at $0.045 per share. The Company transferred $1,250 from equity reserve to share capital.

Stock Options

The Company has adopted a stock option plan, pursuant to which the board of directors of the Company may from time to time, in its discretion, and in accordance with the Canadian Securities Exchange ("Exchange") requirements, grant to directors, officers, and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares exercisable for a period of up to five years from the date of issuance.

Expressed in Canadian dollars

6. SHARE CAPITAL (continued))

Stock Options (continued)

During the period ended September 30, 2022

85,000 stock options with an exercise price of $0.225 and 85,000 stock options with an exercise price of $0.220 were cancelled without exercise. The original fair value of the options calculated on the date of grant was $34,352 which was transferred from the equity reserve to deficit on cancellation of the options.

During the year ended June 30, 2022:

On May 13, 2022, the Company issued 750,000 stock options at a price of $0.05 per share, expiring May 13, 2027, with one-fourth of the options vesting on August 13, 2022, November 13, 2022, February 13, 2023 and May 13, 2023. The estimated fair value of the options was $27,270 which was determined using the Black-Scholes Option Pricing Model. with the following assumptions: an annualized volatility of 153%; an expected life of 5 years; a dividend yield rate of 0%; and a risk-free interest rate of 2.75%. The amount vested as of June 30, 2022 was $7,418. The amount vested as of September 30, 2022 was $10,660.

During the year ended June 30, 2022, the Company cancelled 1,440,000 stock options with an average price of $0.26. The original fair value of the options calculated on the date of grant was $351,983, which was transferred from the equity reserve to deficit on cancellation of the options.

The following table summarizes information about stock options outstanding:

September 30, 2022			June 30, 2022		
Number of Options	**Exercise Price**	**Exercisable**	**Number of Options**	**Exercise Price**	**Exercisable**
1,400,000	$0.10	1,400,000	1,400,000	$0.10	1,400,000
150,000	$0.40	150,000	150,000	$0.40	150,000
250,000	$0.285	250,000	250,000	$0.285	250,000
375,000	$0.185	375,000	375,000	$0.185	375,000
750,000	$0.05	187,500	85,000	$0.225	85,000
			85,000	$0.22	85,000
			750,000	$0.05	-

As at September 30, 2022, 2,925,000 (2022: 3,095,000) options outstanding had a weighted average exercise price of $0.13 (2022: $0.13) and a weighted average life of 2.97 (2022: 3.26) years.

Warrants

September 30, 2022			June 30, 2022		
Number of Warrants	**Exercise Price**	**Exercisable**	**Number of Warrants**	**Exercise Price**	**Exercisable**
4,296,000	$0.20	4,296,000	4,296,000	$0.20	4,296,000
6,666,667	$0.60	6,666,667	6,666,667	$0.60	6,666,667
455,875	$0.45	455,875	455,875	$0.45	455,875
20,710,000	$0.025	20,710,000	20,710,000	$0.025	20,710,000

As at September 30, 2022, 32,128,542 (2022: 32,128,542) warrants outstanding had a weighted average exercise price of $0.17 (2022: $0.17) and weighted average life of 1.26 (2022: 1.51) years.

Expressed in Canadian dollars

6. SHARE CAPITAL (continued)

Warrants (continued)

The Company issued 20,710,000 unit purchase warrants pursuant to a warrant financing for gross proceeds of $517,750. The unit purchase warrants have an exercise price of $0.025, entitle the holder to one common share and one warrant of the Company on exercise of each unit purchase warrant, and expire on April 22, 2024. $20,000 paid in cash to consultants of the Company for issuance costs were incurred as part of this financing. During the year ended June 30, 2022, 50,000 of these warrants were exercised resulting in the issuance of 50,000 common shares and 50,000 warrants.

7. INTANGIBLE ASSET

	License Agreement $	Total $
Balance, June 30, 2022	**-**	**-**
Acquired from asset acquisitions	461,340	461,340
Amortization	(24,484)	(24,484)
Balance, September 30, 2022	**436,856**	**436,856**

The license agreement arose as a result of the acquisition of SLIR (Note 4) and is amortized on a straight-line basis over the 4-year term of the agreement, resulting in an amortization of $24,484 for the period ended September 30, 2022.

8. RELATED PARTY TRANSACTIONS

The Company's related parties consist of the directors, executive officers and companies owned in whole or in part by them.

Key management personnel include those persons having 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 Company's Board of Directors and senior officers.

During the period ended September 30, 2022 and 2021, the Company carried out the following transactions with key management personnel:

	September 30, 2022	September 30, 2021
Consulting fees to the former CFO	$ -	$ 5,250
Management fees to the CEO	$ 24,000	$ -
Management fees to the CFO	$ 5,250	$ -
Share-based compensation (Note 6)	$ 10,660	$ -

As at September 30, 2022, included in accounts payable and accrued liabilities are balances due to related parties of $21,750 (2022 - $13,500). The amounts owed are due on demand, unsecured and non-interest bearing.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value of financial instruments:

Fair values of financial instruments carried at fair value are calculated in accordance with the fair value hierarchy. The three levels of the fair value hierarchy are:

Level 1 – unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – inputs that are not based on observable market data.

The fair value of accounts payable and accrued liabilities approximates its carrying value due to the short-term maturity of this financial instrument.

The fair value of the Company's financial instruments classified within the fair value hierarchy as at September 30, 2022 and June 30, 2022 is as follows:

September 30, 2022	Level 1	Level 2	Level 3	Total
Financial Instrument				
Cash	$570,683	-	-	$ 570,683

June 30, 2022	Level 1	Level 2	Level 3	Total
Financial Instrument				
Cash	$ 1,055,552	-	-	$ 1,055,552

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Foreign exchange risk
Foreign 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 presentation currency is the Canadian dollar and major purchases are transacted in Canadian dollars. As a result, the Company's exposure to foreign currency risk is not considered to be material, nor has the Company seen a material change in this risk during the period ended September 30, 2022.

Credit risk
Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is in its cash. The Company's cash is largely held in large Canadian deposit taking financial institutions. As a result, the Company believes it is not exposed to any material credit risk. There has been no material change to the Company's credit risk during the period ended September 30, 2022.

Interest rate risk
Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Financial assets and liabilities with variable interest rates expose the Company to cash flow interest rate risk. The Company does maintain bank accounts which earn interest at variable rates, and does not believe it is currently subject to any material interest rate risk. There has been no material change to the Company's interest rate risk during the period ended September 30, 2022.

Expressed in Canadian dollars

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities; the Company's accounts payable and accrued liabilities are all due within 12 months of September 30, 2022. Management and the Board of Directors are actively involved in the review, planning and approval of significant expenditures and commitments. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company believes it has adequate cash at September 30, 2022 to reduce its risk. There has been no material change to the Company's liquidity risk during the period ended September 30, 2022.

10. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern such that it can provide returns for shareholders and benefits for other stakeholders. In the definition of capital, the Company includes, as disclosed on its consolidated statement of financial position: share capital in the amount of $9,761,824, deficit in the amount of ($8,686,845) and equity reserve in the amount of $1,414,589 The management of the capital structure is based on the funds available to the Company in order to support the acquisition, exploration and development of mineral properties and to maintain the Company in good standing with the various regulatory authorities. In order to maintain or adjust its capital structure, the Company may issue new shares, sell assets to settle liabilities, issue debt instruments or return capital to its shareholders.

The Company monitors its capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the underlying assets. There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally imposed capital requirements.

11. SUPPLEMENTAL CASH FLOW INFORMATION

Non-cash financing and investing activities along with other cash flow information during the period September 30, 2022 and 2021 are as follows:

	September 30, 2022 $	**September 30, 2021 $**
Shares issued for acquisitions	415,000	-
Shares issued for deposit	275,000	-
Options expired (1)	34,352	-

(1) Represents the transfer of the fair value of options expired from equity reserve to deficit during the period ended September 30, 2022 and 2021.

The Company did not pay any amounts for interest or income tax during the period ended September 30, 2022 and 2021. The Company received cash for interest income of $Nil during the period ended September 30, 2022 (2021 - $2,482).

Expressed in Canadian dollars

12. SEGMENTED INFORMATION

The Company has one reportable segment, being mineral exploration activities, in two geographic locations being Canada and the United States.

The following table allocates total assets, liabilities, and comprehensive loss by geographic location:

September 30, 2022	Canada	United States	Total
Total assets	2,664,580	-	2,664,580
Total liabilities	175,012	-	175,012
Total loss	471,278	-	471,278

September 30, 2021	Canada	United States	Total
Total assets	3,891,245	2,589,864	6,481,109
Total liabilities	93,370	-	93,370
Total loss	63,158	24,864	88,022

13. DEPOSIT ON ACQUISITION

	September 30, 2022 $	June 30, 2022 $
Supplier advances	8,983	220,583
Deposit on acquisition	350,000	58,402
	358,983	278,985

On September 19, 2022, the Company entered into a mineral option agreement ("Option Agreement") to acquire up to 50% interest in a mining license from Ermazon SARL, a wholly owned subsidiary of Elcora Advanced Materials Corp. ("Elcora"). On execution of the Option Agreement, Gold Lion has acquired a 25% interest in the License by making a cash payment of $75,000 and by issuing 5,000,000 common shares of the Company with a fair value of $275,000 on September 21, 2022. The shares were issued pursuant to available prospectus exemptions and will be subject to a hold period of four month and one day from the date of issuance pursuant to applicable securities laws. The Company has the option to: (1) acquire a further 15% interest in the License (for a total interest of 40%) by making a cash of payment of $125,000 within five business days of receiving notice that Ermazon has secured the exploitation license of the manganese concession; and (2) acquire a further 10% interest in the License (for a total interest of 50%) by making an additional cash payment of $50,000 within 15 business days of receiving notice of anticipated commencement of commercial production on the License.

Subsequent to period end, the Company and Elcora mutually agreed to rescind the mineral option agreement. As a result, Elcora returned to the Company the 5,000,000 common shares issued and the cash payment of $75,000 for the initial 25% interest in the license. Neither party will be required to pay the other a termination fee as a result of the rescindment of the Option Agreement. As a result, the 5,000,000 common shares issued on September 21, 2022 and the $75,000 paid during the period ended September 30, 2022 is recorded in deposits at September 30, 2022. As the consideration was paid in the period and subsequently returned, management has applied judgement to treat the consideration as a deposit.

14. SUBSEQUENT EVENT

Subsequent to period end, the Company and Elcora mutually agreed to rescind the mineral option agreement to purchase up to 50% interest in a mining license in Morocco (Note 13). As a result, On November 15, 2022 Elcora returned to the Company the 5,000,000 common shares issued and the cash payment of $75,000 for the initial 25% interest in the license. Neither party will be required to pay the other a termination fee as a result of the rescindment of the Option Agreement.