Gold Lion Resources Inc.

Unaudited Condensed Consolidated Interim Financial Statements

For the Three and Nine Months Ended March 31, 2023 and 2022
(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 March 31, 2023		As at June 30, 2022 (Audited)
Assets				
Current				
Cash	$	720,646	$	1,055,552
Sales tax receivable		30,322		9,048
Prepaid expenses and deposits		123,921		278,985
		874,889		1,343,585
Non-current assets				
Exploration and evaluation asset (Notes 4, 5)		1,000,000		1,080,393
Total Assets	**$**	**1,874,889**	**$**	**2,423,978**
Liabilities				
Current				
Accounts payable and accrued liabilities (Note 8)	$	185,378	$	163,792
Total Liabilities		**205,815**		**163,792**
Shareholders' Equity				
Share capital (Note 6)		10,777,349		9,071,824
Equity reserve (Note 6)		1,229,069		1,438,281
Deficit		(10,316,908)		(8,249,919)
Total Shareholders' Equity		1,689,510		2,260,186
Total Liabilities and Shareholders' Equity	**$**	**1,874,889**	**$**	**2,423,978**

Nature of operations and going concern (Note 1)

Subsequent event (Note 12)

Approved on behalf of the Board on May 29, 2023:

"David Beck"
David Beck, Director

"Lawrence Hay"
Lawrence Hay, 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 March 31, 2023	Three Months Ended March 31, 2022	Nine Months Ended March 31, 2023	Nine Months Ended March 31, 2022
Expenses				
Consulting fees (Note 8)	$ 129,065	$ 233,528	$ 308,083	$ 353,671
Legal	20,826	736	75,261	10,378
Audit and accounting	9,000	-	26,601	25,344
Investor relations and promotion	142,924	125,000	356,751	125,000
Management fee (Note 8)	3,750	-	38,726	-
General and administrative (Note 11)	31,648	11,264	50,485	39,365
Share-based compensation (Notes 6, 8)	3,496	-	19,777	-
	(340,709)	(370,529)	(875,684)	(553,758)
Other Items				
Impairment of exploration and evaluation assets (Note 5)	(945,709)	(1,322,907)	(945,709)	(1,322,907)
Impairment of intangible asset	(461,340)	-	(461,340)	-
Interest income	-	900	-	4,507
Foreign exchange	(745)	-	(745)	(219)
Net and comprehensive loss	**$ (1,748,503)**	**$(1,692,536)**	**$(2,283,478)**	**$(1,872,377)**
Loss per common share – basic and diluted	**$ (0.03)**	**$ (0.00)**	**$ (0.03)**	**$ (0.03)**
Weighted average number of common shares outstanding	**76,328,287**	**37,869,487**	**66,487,265**	**37,869,487**

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	-	-	-	(179,841)	(179,841)
Balance, December 31, 2021	**37,869,487**	**8,069,324**	**1,286,346**	**(3,059,750)**	**6,295,920**
Balance, June 30, 2022	**57,919,487**	**$ 9,071,824**	**$ 1,438,281**	**$ (8,249,919)**	**$ 2,260,186**
Shares issued for acquisitions (Note 6)	**20,300,000**	**1,315,000**	**-**	**-**	**1,315,000**
Proceeds of private placement, net (Note 6)	**4,896,999**	**365,525**	**-**	**-**	**365,525**
Share-based compensation (Note 6)	**-**	**-**	**19,777**	**-**	**156,026**
Warrants exercised (Note 6)	**500,000**	**25,000**	**(12,500)**	**-**	**12,500**
Options expired (Note 6)	**-**	**-**	**(216,489)**	**216,489**	**-**
Net and comprehensive loss	**-**	**-**	**-**	**(2,283,478)**	**(2,419,724)**
Balance, March 31, 2023	**83,616,486**	**$ 10,777,349**	**$ 1,229,069**	**$ (10,316,908)**	**$ 1,689,513**

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)

	Nine Months Ended March 31, 2023	Nine Months Ended March 31, 2022
Operating activities		
Net loss for the year	$ (2,283,478)	$ (1,872,377)
Item not affecting cash:		
Share-based compensation	19,777	-
Impairment of exploration and evaluation assets	945,709	1,322,907
Impairment of intangible assets	461,340	
Changes in non-cash working capital balances:		
Prepaid expenses and deposits	155,064	(46,830)
Sales tax receivable	(21,274)	6,345
Accounts payable and accrued liabilities	(21,586)	(77,401)
Net cash used by operating activities	**(744,448)**	**(667,356)**
Investing activity		
Exploration and evaluation expenditures	(348,483)	(507,264)
Proceeds from disposition of property	380,000	
Net cash provided by investing activity	**31,517**	**(507,264)**
Financing activity		
Proceeds from private placement	365,525	-
Proceeds from warrant exercise	12,500	-
Net cash provided by financing activity	**378,025**	**-**
Change in cash	(334,906)	(1,174,620)
Cash, beginning of year	1,055,552	2,189,630
Cash, end of year	**$ 720,646**	**$1,015,010**

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.

The Company is engaged in the business of mineral exploration in Quebec, Canada.

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 nine months ended March 31, 2023, the Company incurred a net loss of $2,419,724 (2022 - $1,872,377), used net cash from operations of $884,190 (2022 - $667,356) and at March 31, 2023, the Company's net working capital is $689,511 (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 March 31, 2023 are as follows:

Name of subsidiary	Principal activity	Place of Incorporation	Ownership Interest December 31, 2022	Ownership Interest June 30, 2022
1238339 BC LTD. (“123 LTD.”)	Mineral exploration	Canada	100%	100%
1391740 B.C. Ltd.	Mineral exploration	Canada	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 differen

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) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's cash-generating unit's ("CGU") fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the asset is tested as part of a larger CGU. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

For exploration and evaluation assets, indicators of impairment include, but are not limited to, expiration of a right to explore, no budgeted or planned material expenditure in an area, or a decision to discontinue exploration in a specific area. Impairment losses of continuing operations are recognized in net loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or CGU) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or CGU) in prior years.

d) 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Business combination (continued)

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.

e) Valuation of right of use assets and lease liability

The Company assesses whether a contract is or contains a lease at inception of the contract. A lease is recognized as a right-of-use asset and corresponding liability at the commencement date. Each lease payment included in the lease liability is apportioned between the repayment of the liability and a finance cost. Lease liabilities represent the net present value of fixed lease payments (including in-substance fixed payments); variable lease payments based on an index, rate, or subject to a fair market value renewal condition; amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and payments of penalties for terminating the lease, if it is probable that the lessee will exercise that option. The lease payments are discounted using an incremental borrowing rate. The period over which the lease payments are discounted is the expected lease term, including renewal and termination options that the Company is reasonably certain to exercise.
Payments associated with short-term leases and leases of low-value assets are recognized as an expense on a straightline basis in the statement of comprehensive loss. Short term leases are defined as leases with a lease term of 12 months or less. Right-of-use assets are measured at cost, which is calculated as the amount of the initial measurement of lease liability plus any lease payments made at or before the commencement date, any initial direct costs and related restoration costs. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful life of the underlying asset. The depreciation is recognized from the commencement date of the lease.

f) 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**

On December 20, 2022, the Company sold 100-per-cent interest in 1000173975 Ontario Inc., to an arm's-length purchaser for an aggregate of $380,000 (Note 5).

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**

During the nine months ended March 31, 2023, the Company terminated licensing and research agreement and management impaired the intangible asset to $Nil (Note 7).

1391740 B.C. LTD (Mia-Li3 Lithium Project)

On February 1, 2023, the Company acquired the rights to the option agreement under a Share Exchange Agreement ("SEA") and acquire 100% of 1391740 B.C. Ltd. ("139 B.C."). Under the option agreement, the Company acquired the option to acquire 100% interest in 57 mining claims covering approximately 2,950 hecterres in the James Bay region of Quebec.

Pursuant to the SEA, the Company made a cash payment of $100,000 and issued 10,000,000 common shares to 139 B.C.'s shareholders with a fair value of $900,000 on February 1, 2023. 123 B.C. 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:

Expressed in Canadian dollars

4. ACQUISITIONS (continued)

1391740 B.C. LTD (Mia-Li3 Lithium Project) (continued)

Net assets acquired		
Exploration and evaluation assets	**$**	**1,000,000**
Total	**$**	**1,000,000**

Consideration		
Fair value of 10,000,000 common shares issued (Notes 5 and 6)	**$**	**900,000**
Cash Payment	**$**	**100,000**
Total	**$**	**1,000,000**

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.

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.

5. EXPLORATION AND EVALUATION ASSET (continued)

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.

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.

5. EXPLORATION AND EVALUATION ASSET (continued)

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.

On December 20, 2022, the Company sold its 100-per-cent interest in 1000173975 Ontario Inc, to an arm's-length purchaser through a share purchase agreement. Pursuant to the SPA, the company received an aggregate of $380,000 as consideration for the sale of Black Lake Mineral Property through the transfer of all the issued and outstanding shares in the capital of 1000173975. The company recognized an impairment of $945,709 from the disposition.

Mia-Li3 Lithium Property

On February 1, 2023, the Company acquired, through the purchase of 1391740 B.C. Ltd., an option agreement (the "Option Agreement") for the Mia-Li3 Lithium Property, located in James Bay region of Quebec.

Pursuant to the Option Agreement, effective date December 18, 2022, the Company can exercise its option to earn 100% interest in the Mia-Li3 Lithium Propertyy by completing the following milestones on or before the dates indicated:

a) pay an aggregate of C$495,000.00 as follows:
   (i) pay C$30,000 within 10 days following the Effective Date; (Paid)
   (ii) pay C$80,000 within one year following the Effective Date (the "First Anniversary")
   (iii) pay C$150,000 within two years following the Effective Date (the "Second Anniversary")
   (iv) pay C$235,000 within three years following the Effective Date (the "Third Anniversary")

The option agreement is subject to a 2% net smelter return with the Company having the right to purchase 1.5% of the 2% NSR from the Optionor at $2,000,000

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 $	Mia-Li 3 $	Total $
Acquisition Costs			
Balance, June 30, 2022	**1,080,393**	**-**	**1,080,393**
Incurred during the period	15,000	1,000,000	1,015,000
Balance, March 31, 2023	**1,095,393**	**1,000,000**	**2,095,393**
Deferred Exploration Costs			
Balance, June 30, 2022	**-**	**-**	**-**
Geological and geophysical	114,708	-	114,708
Taxes and mineral claims	115,608	-	115,608
Balance, March 31, 2023	**230,316**	**-**	**230,316**
Proceeds of disposition	(380,000)	-	(380,000)
Impairment	(945,709)	-	(945,709)
Total exploration and evaluation	**-**	**1,000,000**	**1,000,000**

6. SHARE CAPITAL

Authorized and Issued:
- Unlimited common shares without par value; and
- 83,616,486 shares issued and outstanding

Issuances:

During the nine months ended March 31, 2023, 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 February 1, 2023, the Company issued 10,000,000 common shares with fair value of $900,000 pursuant to a share exchange agreement for the acquisition of Mia-Li3 Lithium Property option agreement.
- On February 23, 2023, as part of a non-brokered private placement, the Company issued 4,896,999 common shares at a price of $0.075 for gross proceeds of $367,275.
- On February 23, 2023, the Company issued 500,000 common shares pursuant to the conversion of warrants. The Company transferred $12,500 from equity reserve to share capital.

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.

Expressed in Canadian dollars

6. SHARE CAPITAL (continued)

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. During the nine months ended March 31, 2023

85,000 stock options with an exercise price of $0.225, 85,000 stock options with an exercise price of $0.220, 250,000 stock options with an exercise price of $0.285, 150,000 stock options with an exercise price of $0.400, and 375,000 stock options with an exercise price of $0.185 were cancelled without exercise. The original fair value of the options calculated on the date of grant was $216,489 which was transferred from the equity reserve to deficit on cancellation of the options.

On February 27, 2023, the Company issued 2,000,000 stock options at a price of $0.075 per share, expiring February 27, 2028. The options vest quarterly in equal amounts over a period of one year. The estimated fair value of the options were $140,318 which was determined using the Black-Scholes Option Pricing Model with the following assumptions: an annualized volatility of 147%; an expected life of 5 years; a dividend yield rate of 0%; and a risk-free interest rate of 3.57 %. The amount vested as of March 31, 2023 was $nil.

On March 8, 2023, the Company issued 51,333 stock options at a price of $0.075 per share, expiring March 08, 2028. The options were fully vest at the time of issuance. The estimated fair value of the options was $3,496 which was determined using the Black-Scholes Option Pricing Model with the following assumptions: an annualized volatility of 147%; an expected life of 5 years; a dividend yield rate of 0%; and a risk-free interest rate of 3.50 %.

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 March 31, 2023 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:

March 31, 2023			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
750,000	$0.05	375,000	150,000	$0.40	150,000
2,051,333	$0.075	51,333	250,000	$0.285	250,000
			375,000	$0.185	375,000
			85,000	$0.225	85,000
			85,000	$0.22	85,000
			750,000	$0.05	-

Expressed in Canadian dollars

6. SHARE CAPITAL (continued)

Stock Options (continued)

As at March 31, 2023, 4,201,333 (2022: 3,095,000) options outstanding had a weighted average exercise price of $0.04 (2022: $0.13) and a weighted average life of 1.20 (2022: 3.26) years.

Warrants

March 31, 2023			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	$0.60	6,666,667
455,875	$0.45	-	455,875	$0.45	455,875
20,710,000	$0.025	20,510,000	20,710,000	$0.025	20,710,000

As at March 31, 2023, 24,506,000 (2022: 32,128,542) warrants outstanding had a weighted average exercise price of $0.06 (2022: $0.17) and weighted average life of 1.10 (2022: 1.51) years.

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
Impairment of intangible asset	(461,340)	(461,340)
Balance, March 31, 2023	**-**	**-**

The license agreement arose as a result of the acquisition of SLIR (Note 4). Subsequently, the Company terminated the license agreement and impaired the asset to $Nil.

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 nine months ended March 31, 2023 and 2022, the Company carried out the following transactions with key management personnel:

8. RELATED PARTY TRANSACTIONS (continued)

		March 31, 2023		March 31, 2022
Consulting fees to the former CFO	$	-	$	15,750
Consulting fees to directors	$	1,000	$	-
Management fees to the former CEO	$	24,476	$	-
Management fees to the former CFO	$	12,250	$	-
Management fees to the CFO	$	1,000	$	-
Share-based compensation (Note 6)	$	16,281	$	-

As at March 31, 2023, included in accounts payable and accrued liabilities are balances due to related parties of $1,000 (2022 - $1,750). 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 March 31, 2023 and June 30, 2022 is as follows:

March 31, 2023	Level 1	Level 2	Level 3	Total
Financial Instrument				
Cash	$720,646	-	-	$ 720,646

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 March 31, 2023.

9. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

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 March 31, 2023.

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 March 31, 2023.

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 March 31, 2023. 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 March 31, 2023 to reduce its risk. There has been no material change to the Company's liquidity risk during the period ended March 31, 2023.

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 $10,777,349, deficit in the amount of ($10,316,908) and equity reserve in the amount of $1,229,069. 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. COMMITMENT

During the 3 months ended March 31, 2023, the Company entered into a rental agreement effective February 1, 2023 in which the Company is to pay $4,000 per month. The rental agreement term ends January 31, 2024. The payments associated with this agreement is a short-term lease and are recognized as an expense on a straightline basis in the statement of comprehensive loss.

12. SUBSEQUENT EVENT

On May 10, 2023, the Company issued an aggregate of two million incentive stock options at a price of 0.07 per common share for a period of five years, pursuant to its stock option plan. 500,000 options will vest immediately, and the rest shall vest quarterly in equal amounts over a one-year term.