ROOGOLD INC.

(Formerly JNC Resources Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

(EXPRESSED IN CANADIAN DOLLARS)

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Independent Auditor's Report

To the Shareholders of RooGold Inc.

Opinion

We have audited the consolidated financial statements of RooGold Inc. (the "Group"), which comprise the consolidated statements of financial position as at December 31, 2021 and December 31, 2020 and the consolidated statements of comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2021 and December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Keith Gagnon.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
May 2, 2022

RooGold Inc.
(Formerly JNC Resources Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at,	**December 31, 2021**	December 31, 2020 restated (note 3)
ASSETS		
Current		
Cash	**$ 2,433,753**	$ 42,648
Accounts receivables	**27,400**	1,604
Prepaid expenses	**70,145**	79,893
Refundable deposit (note 4)	**-**	75,000
Total current assets	**2,531,298**	199,145
Site restoration deposits (note 4)	**120,107**	-
Total assets	**$ 2,651,405**	$ 199,145
LIABILITIES		
Current		
Accounts payable and accrued liabilities (note 9)	**$ 286,551**	$ 18,878
Total liabilities	**286,551**	18,878
SHAREHOLDERS' EQUITY		
Share capital (note 5)	**11,391,845**	680,490
Subscription receipts (note 15)	**434,566**	-
Share-based payments reserve	**132,925**	12,590
Accumulated other comprehensive income	**2,865**	-
Deficit (note 3)	**(9,597,347)**	(512,813)
Total shareholders' equity	**2,364,854**	180,267
Total liabilities and shareholders' equity	**$ 2,651,405**	$ 199,145

Nature of operations and going concern (note 1)
Commitments and contingencies (note 13)
Subsequent events (note 5 and 15)

Approved on behalf of the Board:

"Carlos Espinosa"
Director

"Michael Singer"
Director

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

RooGold Inc.
(Formerly JNC Resources Inc.)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Year Ended December 31, 2021	Year Ended December 31, 2020 restated (note 3)
Expenses		
Administration expenses (note 9)	**$ 39,865**	$ 9,414
Exploration expenditures (note 4)	**8,402,012**	38,347
Management fees (note 9)	**75,953**	49,000
Marketing and shareholder communication	**25,119**	41,965
Professional fees (note 9)	**454,623**	73,966
Transfer agent and filing fees	**38,085**	33,201
Travel and business development	**-**	238
Share-based compensation (note 6)	**45,171**	-
Foreign exchange loss	**3,706**	4,976
Net loss for the year	**9,084,534**	251,107
Cumulative translation adjustment	**(2,865)**	-
Net loss and comprehensive loss for the year	**$ 9,081,669**	$ 251,107
Net loss per share - basic and diluted (note 8)	**$ 0.21**	$ 0.01
Weighted average number of common shares outstanding - basic and diluted (note 8)	**44,223,515**	27,745,322

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

RooGold Inc.
(Formerly JNC Resources Inc.)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year Ended December 31, 2021	2020 restated (note 3)
Operating activities		
Net loss for the year	**$ (9,084,534)**	$ (251,107)
Items not affecting cash:		
Shares issued pursuant to property acquisition	**8,190,000**	-
Share-based compensation	**45,171**	-
Foreign exchange	**(18,888)**	-
Changes in non-cash working capital items:		
Accounts receivables	**(25,023)**	27
Prepaid expenses	**27,347**	(74,893)
Accounts payable and accrued liabilities	**264,792**	(32,488)
Net cash used in operating activities	**(601,135)**	(358,461)
Investing activities		
Acquisition costs net of cash acquired from acquisitions	**(113,845)**	-
Refundable deposit	**75,000**	(75,000)
Net cash used in investing activities	**(38,845)**	(75,000)
Financing activities		
Proceeds from issuance of shares (note 5)	**2,465,289**	344,330
Subscription receipts (note 15)	**434,566**	-
Warrants exercised	**131,230**	-
Net cash provided by financing activities	**3,031,085**	344,330
Increase (decrease) in cash	**2,391,105**	(89,131)
Cash, beginning of year	**42,648**	131,779
Cash, end of year	**$ 2,433,753**	$ 42,648

	2021	2020
Supplemental information		
Non-cash investing and financing activities		
Common shares issued for property acquisitions (note 5)	**$ 8,190,000**	$ -
Fair value of warrants (note 5)	**$ 75,330**	$ 12,590
Acquisition costs within accounts payables and accrued liabilities	**$ 82,051**	$ -
Interest paid	**$ -**	$ -
Income tax paid	**$ -**	$ -

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

RooGold Inc.
(Formerly JNC Resources Inc.)
Consolidated Statements of Changes in Equity
For the years ended December 31, 2021 and 2020
(Expressed in Canadian Dollars)

	Number of shares	Share capital	Subscriptions receipts	Share-based payments reserve	Accumulated Other Comprehensive Income	Deficit restated (note 3)	Total equity
Balance, December 31, 2019	**24,225,000**	**$ 358,750**	**$ -**	**$ -**	**$ -**	**$ (261,706)**	**$ 97,044**
Initial public offering, net	**4,549,500**	236,830	-	-	-	-	236,830
Fair-value of agent's warrants issued	**-**	(12,590)	-	12,590	-	-	-
Warrants exercised	**1,462,500**	97,500	-	-	-	-	97,500
Net loss for the year	**-**	-	-	-	-	(251,107)	(251,107)
Balance, December 31, 2020	**30,237,000**	**680,490**	**-**	**12,590**	**-**	**(512,813)**	**180,267**
Shares issued pursuant to acquisition of properties	**27,000,000**	8,190,000	-	-	-	-	8,190,000
Private placement (net of cash issuance costs)	**10,530,000**	2,465,289	-	-	-	-	2,465,289
Fair-value of agent's warrants issued	**-**	(75,330)	-	75,330	-	-	-
Warrants exercised	**1,968,500**	131,396	-	(166)	-	-	131,230
Share-based compensation	**-**	-	-	45,171	-	-	45,171
Share subscriptions received	**-**	-	434,566	-	-	-	434,566
Cumulative translation adjustment	**-**	-	-	-	2,865	-	2,865
Net loss for the year	**-**	-	-	-	-	(9,084,534)	(9,084,534)
Balance, December 31, 2021	**69,735,500**	**$ 11,391,845**	**$ 434,566**	**$ 132,925**	**$ 2,865**	**$ (9,597,347)**	**$ 2,364,854**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

On April 1, 2019, RooGold Inc. ("RooGold" or the "Company"; formerly JNC Resources Inc.) was incorporated under the laws of the province of British Columbia. The Company's principal business activity is the exploration for mineral resources in New South Wales, Australia. RooGold is a public company whose common shares trade on the Canadian Securities Exchange ("CSE") under the symbol ROO. On January 27, 2021, the Company split its share capital on a 3 to 1 basis. On September 16, 2021, the Company changed its name to RooGold Inc. and consolidated its share capital on a 1 to 2 basis. All share and per share amounts have been restated to reflect the share split and consolidation.

The Company's head office address is 82 Richmond Street East, Toronto, Ontario, M5C 1P1.

Going concern of operations

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

As of December 31, 2021, the Company has not generated any revenues and has incurred losses of $9,597,347 (December 31, 2020 - $512,813) since inception. The Company's continued existence and plans for future growth depend on its ability to obtain additional capital.

The Company's business financial condition and results of operations may be affected by economic and other consequences from the global outbreak of COVID-19, which has been ongoing since March 2020, and Russia's military action against Ukraine and the sanctions imposed in response to that action in late February 2022. While the Company expects any direct impacts, of the pandemic and the war in the Ukraine, to the business to be limited, the indirect impacts on the economy and on the mining industry and other industries in general could negatively affect the business and may make it more difficult for it to raise equity or debt financing.

The above material uncertainties raise significant doubt about the Company's ability to continue as a going concern. Although these consolidated financial statements have been prepared on a going concern basis, the Company's continuing operations are dependent upon its ability to obtain adequate financing through debt or equity issuance.

2. BASIS OF PREPARATION

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC").

These consolidated financial statements were approved and authorized for issuance by the Board of Directors on May 2, 2022.

Basis of measurement

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

2. BASIS OF PREPARATION (continued)

Basis of consolidation

These consolidated financial statements include the accounts of the Company and its 100% owned Canadian and Australian subsidiaries as listed in the table below. All significant inter-company transactions and balances have been eliminated on consolidation.

Name of Subsidiary	Place of Operation	Ownership Interest	Principal Activity
Southern Precious Metals Ltd.	Canada	100%	Holding company
1267248 B.C. Ltd	Canada	100%	Holding company
Aussie Precious Metals Corp.	Canada	100%	Holding company
Southern Precious Metals Corp. Pty Ltd.	Australia	100%	Australian operating entity
Great Southern Precious Metals Pty Ltd.	Australia	100%	Australian operating entity
APMC Holdings Pty Ltd.	Australia	100%	Australian operating entity

Functional currency and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Company's presentation currency. The functional currency of each individual entity is measured using the currency of the primary economic environment in which the entity operates. The functional currency of Southern Precious Metals Corp. Pty Ltd, Great Southern Precious Metals Pty Ltd, and APMC Holdings Pty Ltd., are Australian dollar, all other entities functional currency is the Canadian Dollar.

Use of judgments and estimates

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes may differ from these estimates.

The critical judgments management has made in the process of applying the Company's accounting policies, apart from those involving estimates and assumptions that have the most significant effect on the amounts recognized in the consolidated financial statements include but not limited to the following:

(i) Going concern

The going concern presentation of the consolidated financial statements assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

(ii) Determination of functional currency

Under IFRS, each entity must determine its own functional currency, which becomes the currency that entity measures its results and financial position in. In determining the functional currencies of the Company and its subsidiaries, the Company considered many factors, including the currency that mainly influences sales prices for the currency of the country whose competitive forces and regulations mainly determine the sales prices, and other costs for each consolidated entity.

2. BASIS OF PREPARATION (continued)

Use of judgments and estimates (continued)

The critical judgments management has made in the process of applying the Company's accounting policies, apart from those involving estimates and assumptions that have the most significant effect on the amounts recognized in the consolidated financial statements include but not limited to the following: (continued)

(iii) Business combination vs asset acquisition

Management has to apply judgment relating to acquisitions with respect to whether the acquisition was a business combination or an asset acquisition. Management applies a three element process to determine whether a business or an asset was purchased, considering inputs, processes and outputs to each acquisition in order to reach a conclusion.

The most significant accounts that require estimates as the basis for determining the stated amounts include, but are not limited to the following:

(i) Share-based payments

When stock options and warrants are issued by the Company, it calculates their estimated fair value using the Black-Scholes option pricing model, which may not reflect the actual value on exercise. The Company uses publicly available rates, where available, as inputs into the model including volatility assumptions. The Company recognizes the fair value of stock options on the consolidated statement of loss when vesting occurs.

(ii) Fair market value of acquired in an asset acquisition

Management estimates the fair value of the acquired identifiable net assets and any contingent consideration at the date of acquisition. The fair values assigned through the allocation of the purchase price to net assets are based on numerous estimates that affect the valuation of certain assets and liabilities acquired including discount rates, future cash flows, fair value of any contingent consideration, replacement cost, depreciation, and other factors.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company's accounting policies and its standards of financial disclosure set out below are in accordance with IFRS and have been applied consistently throughout the period presented in these consolidated financial statements, unless otherwise stated.

Cash and cash equivalents

Cash includes deposits held at call with financial institutions. For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts.

Change in accounting policy - Exploration and evaluation

These consolidated financial statements have been prepared to reflect a retrospective application of a change in accounting policy relating to exploration and evaluation assets. The new accounting policy was adopted voluntarily by the Company on January 1, 2021 and has been applied retrospectively.

The previous accounting policy was to capitalize all exploration and evaluation ("E&E") costs once the legal right to explore a property has been acquired. The following is a description of the new accounting policy.

(In Canadian Dollars, except where noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting policy - Exploration and evaluation

Exploration and evaluation ("E&E") expenditures include the direct costs of mineral exploration rights, licenses, technical services and studies, environmental studies, exploration drilling and testing, production scale manufacturing tests, directly attributable overhead and administrative expenses including remuneration of operating personnel and supervisory management, and all costs relating to the acquisition of mineral properties determined to be the acquisition of assets and liabilities for accounting purposes.

E&E expenditures are expensed as incurred to the date that costs incurred are determined to be economically recoverable, the assessment of which would require the completion of a feasibility study that demonstrates a positive commercial outcome, and for the Company to decide to move forward with development of the property into a commercial operation such that it is probable that the future economic benefits will flow to the Company.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to exploration costs.

The Company determined that the change in policy will result in the consolidated financial statements providing more relevant and no less reliable information because it leads to a more transparent treatment of exploration and evaluation expenditure considering that the Company is at the exploration stage and only has two projects for which the probability of receiving future economic benefits is low.

The impact of the change in the accounting policy on the consolidated statements of financial position, consolidated statements of loss and comprehensive loss, consolidated statements of changes in equity and consolidated statements of cash flows is set out below:

Consolidated Statements of Financial Position

	As at December 31, 2020 (as previously stated)	Impact of accounting policy change	As at December 31, 2020 (restated)
Assets			
Exploration and evaluation assets	$ 13,661	$ (13,661)	$ -
Total assets	$ 212,806	$ (13,661)	$ 199,145
Shareholders' equity			
Deficit	$ (499,152)	$ (13,661)	$ (512,813)
Total shareholders' equity and liabilities	$ 212,806	$ (13,661)	$ 199,145

	As at December 31, 2019 (as previously stated)	Impact of accounting policy change	As at December 31, 2019 (restated)
Assets			
Exploration and evaluation assets	$ 38,750	$ (38,750)	$ -
Total assets	$ 187,160	$ (38,750)	$ 148,410
Shareholders' equity			
Deficit	$ (222,956)	$ (38,750)	$ (261,706)
Total shareholders' equity and liabilities	$ 187,160	$ (38,750)	$ 148,410

(In Canadian Dollars, except where noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting policy - Exploration and evaluation (continued)

Consolidated Statements of Comprehensive Loss

	Year ended December 31, 2020 (as previously stated)	Impact of accounting policy change	Year ended December 31, 2020 (restated)
Expenses			
Exploration and evaluation expenditures	$ 24,686	$ 13,661	$ 38,347
Impairment of exploration and evaluation assets	$ 38,750	$ (38,750)	$ -
Net Loss and Comprehensive Loss	$ 276,196	$ (25,089)	$ 251,107
Basic and diluted loss per share	$ 0.00	$ 0.00	$ 0.00

	Year ended December 31, 2019 (as previously stated)	Impact of accounting policy change	Year ended December 31, 2019 (restated)
Expenses			
Exploration and evaluation expenditures	$ 111,386	$ 38,750	$ 150,136
Impairment of exploration and evaluation assets	$ -	$ -	$ -
Net Loss and Comprehensive Loss	$ 222,956	$ 38,750	$ 261,706
Basic and diluted loss per share	$ 0.01	$ (0.00)	$ 0.01

Consolidated Statements of changes in equity

	(as previously stated)	Impact of accounting policy change	(restated)
Deficit on incorporation	$ -	$ -	$ -
Loss for the period	$ (222,956)	$ (38,750)	$ (261,706)
Deficit as of December 31, 2019	$ (222,956)	$ (38,750)	$ (261,706)
Loss for the year	$ (276,196)	$ 25,089	$ (251,107)
Deficit as of December 31, 2020	$ (499,152)	$ (13,661)	$ (512,813)

(In Canadian Dollars, except where noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Change in accounting policy - Exploration and evaluation (continued)
Consolidated Statements of cash flows

	Year ended December 31, 2020 (as previously stated)	Impact of accounting policy change	Year ended December 31, 2020 (restated)
Cash flows from operating activities			
Loss for the year	$ (276,196)	$ 25,089	$ (251,107)
Impairment of exploration and evaluation assets	$ 38,750	$ (38,750)	$ -
Cash used in operating activities	$ (419,800)	$ (13,661)	$ (433,461)
Cash flows from investing activities			
Exploration and evaluation assets	$ (13,661)	$ 13,661	$ -
Cash flows from investing activities	$ (13,661)	$ 13,661	$ -

	Year ended December 31, 2019 (as previously stated)	Impact of accounting policy change	Year ended December 31, 2019 (restated)
Cash flows from operating activities			
Loss for the year	$ (222,956)	$ (38,750)	$ (261,706)
Shares issued for exploration and evaluation asset	$ -	$ 3,750	$ 3,750
Cash used in operating activities	$ (178,221)	$ (35,000)	$ (213,221)
Cash flows from investing activities			
Exploration and evaluation assets	$ (35,000)	$ 35,000	$ -
Cash flows from investing activities	$ (35,000)	$ 35,000	$ -

Decommissioning liabilities

An obligation to incur decommissioning and site rehabilitation costs occurs when environmental disturbance is caused by exploration, evaluation, development or ongoing production.

Decommissioning and site rehabilitation costs arising from the installation of plant and other site preparation work, discounted to their net present value, are provided when the obligation to incur such costs arises and are capitalized into the cost of the related asset. These costs are charged against operations through amortization of the asset and unwinding of the discount on the provision.

Amortization is included in operating costs while the unwinding of the discount is included as a financing cost. Changes in the measurement of a liability relating to the decommissioning or site rehabilitation of plant and other site preparation work are added to, or deducted from, the cost of the related asset and charged against operating profit or loss. The discount rate used to measure the net present value of the obligations is the pre-tax rate that reflects the current market assessment of the time value of money and the risks specific to the obligation.

The costs for the restoration of site damage, which arises during production, are provided at their net present values and charged against operations as extraction progresses.

As at December 31, 2021 and 2020, the Company had not incurred any decommissioning liabilities related to the exploration of its mineral properties.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets

Initial recognition and measurement

Non-derivative financial assets within the scope of IFRS 9 are classified and measured as “financial assets at fair value”, as either fair value through profit and loss ("FVPL") or fair value through other comprehensive income ("FVOCI"), and “financial assets at amortized costs”, as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVPL, directly attributable transaction costs on the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Financial assets with embedded derivatives are considered in their entirety when determining their classification at FVPL or at amortized cost.

Subsequent measurement – financial assets at amortized cost

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in profit or loss. The Company has classified cash, refundable deposit and site restoration deposit as amortized cost.

Subsequent measurement – financial assets at FVPL

Financial assets measured at FVPL include financial assets management intends to sell in the short term and any derivative financial instrument that is not designated as a hedging instrument in a hedge relationship. Financial assets measured at FVPL are carried at fair value in the statement of financial position with changes in fair value recognized in other income or expense in the consolidated statement of loss.

Subsequent measurement – financial assets at FVOCI

Financial assets measured at FVOCI are non-derivative financial assets that are not held for trading and the Company has made an irrevocable election at the time of initial recognition to measure the assets at FVOCI. The Company does not measure any financial assets at FVOCI.

After initial measurement, investments measured at FVOCI are subsequently measured at fair value with unrealized gains or losses recognized in other comprehensive income or loss in the consolidated statement of comprehensive loss. When the investment is sold, the cumulative gain or loss remains in accumulated other comprehensive income or loss and is not reclassified to profit or loss.

Dividends from such investments are recognized in other income in the consolidated statement of loss and comprehensive loss when the right to receive payments is established.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the Company no longer retains substantially all the risks and rewards of ownership.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial assets (continued)

Impairment of financial assets

The Company has elected to apply the simplified approach to impairment as permitted by IFRS 9, which requires the expected lifetime loss to be recognized at the time of initial recognition of the receivable. To measure estimated credit losses, accounts receivable have been grouped based on shared credit risk characteristics, including the number of days past due. An impairment loss is reversed in subsequent periods if the amount of the expected loss decreases and the decrease can be objectively related to an event occurring after the initial impairment was recognized.

Financial liabilities

Initial recognition and measurement

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVPL as is the case for held for trading or derivative instruments, or the Company has opted to measure the financial liability at FVPL. Accounts payable and accrued liabilities are measured at amortized cost.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in profit or loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires with any associated gain or loss recognized in other income or expense in the consolidated statement of loss.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Common shares are classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity.

Costs incurred to obtain equity financing are deducted from the value assigned to shares issued. When costs are incurred prior to the closing of a financing arrangement, these amounts are presented as a deferred asset until the financing has closed. When an expected financing arrangement does not occur, any deferred costs are recorded as an expense.

Classification of financial instruments

The following is a summary of significant categories of financial instruments outstanding at December 31, 2021:

Cash	Amortized cost
Site restoration deposits	Amortized cost
Accounts payable and accrued liabilities	Amortized cost

Carrying values and fair values of financial assets and liabilities are approximately equal, given their nature.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value hierarchy

The Company classifies financial instruments recognized at fair value in accordance with a fair value hierarchy that prioritizes the inputs to valuation technique used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

Foreign currency translation

The reporting currency of the Company is the Canadian dollar. The functional currency of the Company and its Canadian and Australian subsidiaries is the Australian dollar.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-translation of monetary assets and liabilities not denominated in the functional currency of an entity at period end exchange rates are recognized in the statement of loss.

At each balance sheet date, foreign currency denominated monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are included in the consolidated statement of loss.

Management determines the functional currency by examining the primary economic environment in which it operates. The Company considers the following factors in determining its functional currency:

i. The currency that mainly influence operating costs;
ii. The currency in which funds from financing activities are generated;
iii. The currency in which receipts from operating activities are usually retained; and
iv. Whether the activities are carried out as an extension of the Company rather than being carried out with a significant degree of autonomy.

Asset acquisition

Management determines whether assets acquired and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that have the ability to create outputs. Transactions that do not constitute a business combination are accounted for as an asset acquisition, whereby the cost of the acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. No goodwill is recognized on acquisitions that represent the purchase of assets.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

The Company utilizes the asset and liability method of accounting for income taxes. Under this method, deferred income taxes and liabilities are recognized to reflect the expected deferred tax consequences arising from temporary differences between the carrying value and the tax bases of the deferred tax assets and liabilities and are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

The following temporary differences do not result in deferred tax assets or liabilities:

i. the initial recognition of assets or liabilities, not arising in a business combination, that does not affect accounting or taxable profit; and
ii. investments in subsidiaries, associates and jointly controlled entities where the timing of reversal of the temporary differences can be controlled and reversal in the foreseeable future is not probable.
iii. initial recognition of goodwill

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is expensed over the vesting terms with a corresponding increase to share-based payment reserve. Consideration paid for the shares on the exercise of stock options is credited to capital stock together with the amount previously recognized in share-based payment reserve. When vested options are forfeited or are not exercised at the expiry date the amount previously recognized in share-based payments reserve is transferred to accumulated losses (deficit). The Company estimates a forfeiture rate and adjusts the corresponding expense each period based on an updated forfeiture estimate.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at the fair value of the share-based payment. Otherwise, share-based payments to non-employees are measured at the fair value of goods or services received. Upon forfeiture or expiry of the options, the amount previously recognized in the reserve is transferred to deficit.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Warrants

The Company accounts for warrants including warrants issued to brokers in connection with the issuance of shares ("broker warrants") using the fair value method. Under this method, the fair value of broker warrants is first determined based on the value of goods or services received. In situations where some or all of the goods or services received by the Company as consideration cannot be specifically identified, the fair value of broker warrants is then determined using the Black-Scholes valuation model.

The Company has adopted a residual method with respect to the measurement of shares and warrants issued as private placement units. The residual method first allocates value to the more easily measurable component based on fair value with common shares being valued first based on the trading price and then the residual value, if any, to the less easily measurable component.

Upon exercise of the warrants, consideration paid together with the amount previously recognized in share-based payment reserve is recorded as an increase to capital stock. Upon forfeiture or expiry of the warrants, the amount previously recognized in the share-based payment reserve is transferred to deficit.

Loss per share

Basic loss per share is calculated by dividing net loss by the weighted average number of common shares outstanding during the period.

Diluted loss per share is determined by adjusting the loss attributable to common shareholders and the weighted average number of common shares outstanding for the effects of dilutive instruments, as if their dilutive effect was at the beginning of the period. The calculation of the diluted number of common shares assumes that proceeds received from the exercise of "in-the-money" stock options and common share purchase warrants are used to purchase common shares of the Company at their average market price for the period.

In periods that the Company reports a net loss, any stock options or warrants outstanding are excluded from the calculation of diluted loss per share as their inclusion would be anti-dilutive.

Adoption of new accounting policies

During the year ended December 31, 2021, the Company adopted a number of new IFRS standards, interpretations, amendments and improvements of existing standards. These new standards and changes did not have any material impact on the Company's consolidated financial statements.

Accounting standards issued but not yet applied

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for annual periods beginning on or after January 1, 2022 or later periods. The Company is currently evaluating the impact of the adoption of these new standards on its consolidated financial statements.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on January 1, 2023.

(In Canadian Dollars, except where noted)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Accounting standards issued but not yet applied (continued)

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022.

IFRS 3 – Business Combinations ("IFRS 3") was amended. The amendments introduce new exceptions to the recognition and measurement principles in IFRS 3 to ensure that the update in references to the revised conceptual framework does not change which assets and liabilities qualify for recognition in a business combination. An acquirer should apply the definition of a liability in IAS 37 – rather than the definition in the Conceptual Framework – to determine whether a present obligation exists at the acquisition date as a result of past events. For a levy in the scope of IFRIC 21, the acquirer should apply the criteria in IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. In addition, the amendments clarify that the acquirer should not recognize a contingent asset at the acquisition date. The amendments are effective for annual periods beginning on January 1, 2022.

4 EXPLORATION AND EVALUATION

Exploration and acquisition costs for the years ended December 31, 2021 and December 31, 2020 are as follows:

	Acquisition costs	Assays	Claim costs	Total
Imperial (e)	$ -	$ -	$ 7,666	$ **7,666**
Malebo (a)	555,000	-	1,043	**556,043**
Solomons (a)	555,000	-	750	**555,750**
Gold belt (b)	685,776	-	519	**686,295**
Eastdowns (b)	685,776	-	354	**686,130**
Blue Bell (b)	685,776	-	312	**686,088**
Goodwins Reef (b)	685,776	-	423	**686,199**
Arthur's Seat (b)	685,776	-	432	**686,208**
Castle Rag (b)	685,776	-	643	**686,419**
Silver Creek (b)	685,776	-	216	**685,992**
Dingo (b)	685,776	-	712	**686,488**
Gold Star (b)	685,776	-	423	**686,199**
Trilby (c)	552,500	-	1,030	**553,530**
Lorne (c)	552,500	-	505	**553,005**
Total for December 31, 2021	**$ 8,386,984**	**$ -**	**$ 15,028**	**$ 8,402,012**

	Acquisition costs	Assays	Claim costs	Total
Triple 9 (d)	$ -	$ 1,400	$ -	**$ 1,400**
Imperial (e)	13,661	14,934	8,352	**36,947**
Total for December 31, 2020	**$ 13,661**	**$ 16,334**	**$ 8,352**	**$ 38,347**

(In Canadian Dollars, except where noted)

4. EXPLORATION AND EVALUATION (continued)

(a) Malebo and Solomons, New South Wales, Australia

On April 23, 2021, the Company closed, in escrow, the Share Exchange Agreement in which the Company has effectively acquired a 100% interest in Southern Precious Metals Limited (“SPML”), and its subsidiary which hold 100% interests in the Malebo and Solomons Properties in New South Wales (NSW) Australia. The Company paid a $75,000 refundable deposit in December 2020. In April 2021, the Company issued three million (3,000,000) post consolidation common shares (the “Purchase Shares”) to the shareholders (“Shareholders”) of SPML in exchange for all of the issued and outstanding shares of SPML. The SPML Shareholders have entered into undertakings wherein the Purchase Shares, which are otherwise free-trading, will be released as to 25% on closing (the “Closing”), 25% on October 23, 2021, an additional 25% on April 23, 2022 and the balance on October 23, 2022. The Purchase Shares were held in escrow pending New South Wales ministerial approval of the change in control of SPML which was obtained in August 2021 resulting in the definitive Closing of the acquisition on August 18, 2021.

The transaction does not constitute a business combination as SPML and its subsidiary does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of these entities has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. Upon closing of the transaction, SPML and its subsidiary became a subsidiaries of the Company. The net assets acquired pursuant to the acquisition are as follows:

Net assets acquired		
Cash	$	36
Prepaid and deposits		2,691
Site restoration		18,430
Exploration and evaluation assets		1,088,843
Total net assets acquired	**$**	**1,110,000**

Purchase price		
Issuance of shares	$	1,110,000
Total purchase price	**$**	**1,110,000**

(b) Gold Belt, Eastdowns, Blue Bell, Goodwins Reef, Arthur’s Seat, Castle Rag, Silver Creek, Dingo and Gold Star Properties, New South Wales, Australia

On August 27, 2021, the Company closed, in escrow, a definitive agreement whereby RooGold has conditionally acquired a 100% interest in 1267248 B.C. Ltd. and its subsidiary, Great Southern Precious Metals Pty Ltd. which holds 100% interests in nine (9) past producing and exploratory properties in the State of New South Wales (“NSW”) Australia known as the Gold Belt, Eastdowns, Blue Bell, Goodwins Reef, Arthur’s Seat, Castle Rag, Silver Creek, Dingo and Gold Star Properties. Under the terms of the definitive agreement the Company issued 20,000,000 post consolidation shares to the shareholders of 1267248 B.C. Ltd. ("Shareholders") at a fair value of $0.30 per share for a total of $6,000,000, and paid $75,000 in cash. The Company also incurred costs of $96,982 to consultants in connection with the acquisition of these nine properties. The shares deliverable to the 1267248 B.C. Ltd. Shareholders are subject to an escrow whereby the shares will be released as to 25% on meeting certain conditions which will result in the release of the closing documents from escrow (the “Closing”), 25% on February 27, 2022, an additional 25% on August 27, 2022 and the balance on February 27, 2023. Subsequent to the year ended December 31, 2021, the Company received approval from the New South Wales ministerial in connection with the acquisition (note 15).

(In Canadian Dollars, except where noted)

4. EXPLORATION AND EVALUATION (continued)

(b) Gold Belt, Eastdowns, Blue Bell, Goodwins Reef, Arthur's Seat, Castle Rag, Silver Creek, Dingo and Gold Star Properties, New South Wales, Australia (continued)

The transaction does not constitute a business combination as 1267248 B.C. Ltd. and its subsidiary does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of these entities has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. Upon closing of the transaction, 1267248 B.C. Ltd., and its subsidiary became a subsidiaries of the Company. The net assets acquired pursuant to the acquisition are as follows:

Net assets acquired		
Cash	$	968
GST receivables		136
Prepaid expenses		10,326
Site restoration deposits		86,385
Exploration and evaluation assets		6,074,167
Total net assets acquired	**$**	**6,171,982**

Purchase price		
Issuance of shares	$	6,000,000
Cash costs		114,931
Incurred closing costs		57,051
Total purchase price	**$**	**6,171,982**

(c) Trilby and Lorne Properties, New South Wales

In September 2021, the Company closed, in escrow, of the definitive Share Exchange Agreement with Aussie Precious Metals Corp. ("APMC") whereby RooGold has effectively acquired a 100% interest in APMC's Trilby and Lorne properties ("Properties") in New South Wales (NSW) Australia. Under the terms of the definitive agreement the Company issued post consolidation 4,000,000 common shares to the shareholders of APMC in exchange for all of the issued and outstanding shares of APMC with the Properties held in APMC's wholly owned Australian subsidiary. Additionally upon approval from the New South Wales ministerial in connection with the acquisition the Company will also pay $25,000 to shareholders of APMC to cover any costs incurred. As at December 31, 2021, the Company has accrued these costs.

The transaction does not constitute a business combination as APMC and its subsidiary does not meet the definition of a business under IFRS 3 – Business Combinations. As a result, the acquisition of these entities has been accounted for as an asset acquisition, whereby all of the assets acquired and liabilities assumed are assigned a carrying amount based on their relative fair values. Upon closing of the transaction, APMC and its subsidiary became a subsidiaries of the Company. The net assets acquired pursuant to the acquisition are as follows:

Net assets acquired		
Cash	$	82
GST receivables		637
Prepaid expenses		4,582
Site restoration deposits		18,292
Exploration and evaluation assets		1,084,288
Accounts payables and accrued liabilities		(2,881)
Total net assets acquired	**$**	**1,105,000**

(In Canadian Dollars, except where noted)

4. EXPLORATION AND EVALUATION (continued)

(c) Trilby and Lorne Properties, New South Wales (continued)

Purchase price		
Issuance of shares	$	1,080,000
Incurred closing costs		25,000
Total purchase price	**$**	**1,105,000**

(d) Triple 9 Property, British Columbia

On April 22, 2019, the Company entered into an Option Agreement (the "Triple 9 Agreement") with Guy Delorme and Christopher Delorme ("the Optionors") pursuant to which the Company has the sole and exclusive option to acquire 100% of the rights and interests in the Triple 9 Copper/Gold Project in British Columbia subject to a 2% net smelter return ("NSR"). The Company's option to acquire the rights and interests in the Triple 9 Project was exercisable by issuing a total of 2,050,000 common shares and making aggregate cash payments of $1,035,000. As management was unable to negotiate an extension of the share and cash payments due on April 13, 2021, management decided to abandon the project.

(e) Imperial Property, Nevada

On June 15, 2020, the Company signed an option agreement (the "Imperial Agreement") with Great Basin Resources ("Great Basin") pursuant to which the Company has the sole and exclusive option to acquire 100% of the rights and interests in the Imperial Gold Project in Nevada subject to a 3% net smelter return ("NSR").

The Company's option to acquire the rights and interests in the Imperial Project is exercisable by making aggregate cash payments of US $270,000 over seven years and by incurring minimum exploration expenditures totaling US $4,300,000 over seven years.

The cash payments and minimum exploration expenditures (the "expenditures") schedule is as follows:

i. US $10,000 within five days of signing the Imperial Agreement (paid);
ii. US $20,000 and US $50,000 expenditures on or before June 15, 2021;
iii. US $20,000 and US $150,000 expenditures on or before June 15, 2022;
iv. US $30,000 and US $250,000 expenditures on or before June 15, 2023;
v. US $40,000 and US $350,000 expenditures on or before June 15, 2024;
vi. US $50,000 and US $500,000 expenditures on or before June 15, 2025;
vii. US $50,000 and US $1,000,000 expenditures on or before June 15, 2026;
viii. US $50,000 and US $2,000,000 expenditures on or before June 15, 2027.

Any accumulated excess expenditures in a given year shall be credited to the subsequent year and so on, and the Company may accelerate such expenditures at its discretion. The Company did not meet the cash payments and minimum exploration expenditures due by June 15, 2021, and the Company has subsequently abandoned the project.

(In Canadian Dollars, except where noted)

5. COMMON SHARES

Authorized

As at December 31, 2021 and 2020, the authorized share capital of the Company is an unlimited number of common shares without par value. In January 2021, the Company split its share capital on a 3 to 1 basis. In September 2021, the Company consolidated its share capital on a 1:2 basis. All share and per share amounts have been restated to reflect the share split and share consolidation.

Issued share capital

	Number of shares	Share capital
Balance, December 31, 2019	**24,225,000**	**$ 358,750**
Initial public offering, net (i)	4,549,500	236,830
Fair-value of agent's warrants issued (i)	-	(12,590)
Warrants exercised (ii)	1,462,500	97,500
Balance, December 31, 2020	**30,237,000**	**680,490**
Shares issued pursuant to acquisition of properties (vi)(vii)(viii)	27,000,000	8,190,000
Private placement (net of cash issuance costs) (v)	10,530,000	2,465,289
Fair-value of agent's warrants issued (v)	-	(75,330)
Warrants exercised (iii)(iv)	1,968,500	131,396
Balance, December 31, 2021	**69,735,500**	**$ 11,391,845**

(i) On April 13, 2020, the Company completed its IPO, by issuing 4,549,500 common shares of the Company $0.066 per share for gross proceeds of $303,300. Pursuant to an agency agreement (the “Agency Agreement”) dated January 13, 2020, Mackie Research Capital Corporation (the “Agent”) acted as agent for the Company in connection with the IPO and received a work fee, and a $30,300 cash commission equal to 10% of the gross proceeds. The Company also granted the Agent and members of its selling group non-transferrable warrants to purchase up to an aggregate of 454,950 common shares of the Company at a price of $0.066 per share until April 13, 2022. The fair value of the Agents’ warrants was calculated to be $12,590 using the Black-Scholes method which was charged to share issue costs. The fair value of the Agents' warrants at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions: share price - $0.10; risk free interest rate – 0.38%; expected volatility – 75%; expected dividend yield - nil; expected life - 2 years. The Company also agreed to pay the Agent a non-refundable $15,000 work fee and pay up to $15,000 of the Agent’s due diligence cost related to the offering including its legal costs.

(ii) During the year ended December 31, 2020, 1,462,500 share purchase warrants were exercised at $0.066 for gross proceeds of $97,500.

(iii) During the year ended December 31, 2021, 1,962,500 share purchase warrants were exercised at $0.067 for gross proceeds of $130,830.

(iv) During the year ended December 31, 2021, 6,000 Agents’ warrants were exercised at $0.067 for gross proceeds of $400. Upon the exercise of 6,000 Agents’ warrants the fair value of $166 was transferred from share-based payments reserve to share capital.

5. COMMON SHARES (continued)

Issued share capital (continued)

(v) On October 4, 2021, the Company closed a first tranche of a non-brokered private placement by issuing 10,530,000 units at $0.25 for gross proceeds of $2,632,500. Each unit consists of one common share and a half (1/2) a common share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at $0.40 per share for a two year period from Closing. The term of the warrants is subject to an Accelerator Clause that the Company can elect to trigger if the Company's share price trades above $0.50 for 30 consecutive trading days. In connection with the private placement, the Company incurred closing cost of $167,211, and 664,800 agent's warrants, each agent warrant entitles the holder to purchase a common share at $0.32 for a two year period. The term of the agent's warrants is subject to an accelerator clause that the Company can elect to trigger if the Company's shares trade above $0.50 for 30 consecutive trading days. The units are subject to a statutory restricted trading period expiring on February 2, 2022.

The fair value of the agent's warrants was calculated to be $75,330 using the Black-Scholes method which was charged to share issue costs. The fair value of the agent's warrants at the date of grant was estimated using the Black-Scholes option pricing model with the following assumptions: share price - $0.25; risk free interest rate – 0.58%; expected volatility – 103.40% (which is based on historical volatility of the Company's share price); expected dividend yield - nil; expected life - 2 years.

(vi) During the year ended December 31, 2021, 3,000,000 shares were issued to the shareholders of SPML at a fair value of $0.37 per share for a total of $1,110,000 (note 4(a)). The SPML Shareholders have entered into voluntary lockup undertakings wherein the shares, which are otherwise free-trading, have been released as to 25% of such shares on closing on April 23, 2021, 25% on October 23, 2021, an additional 25% on April 23, 2022 and the balance on October 23, 2022.

(vii) 20,000,000 shares were issued to the shareholders of 1267248 B.C. Ltd. at a fair value of $0.30 per share for a total of $6,000,000 (note 4(b)). The shares are subject to an escrow whereby the shares will be released as to 25% on meeting certain conditions which will result in the release of the closing documents from escrow, 25% on February 27, 2022, an additional 25% on August 27, 2022 and the balance on February 27, 2023.

(viii) 4,000,000 shares were issued to the shareholders APMC at a fair value of $0.27 per share for a total of $1,080,000 (note 4(c)). APMC Shareholders have entered into voluntary lock-up undertakings, where by shares shall be released in tranches for a period of up to two years from Escrow Closing. In connection with the Escrow Closing, the Purchase Shares as of December 31, 2021, are held in escrow pending New South Wales ministerial approval of the change in ownership of the Properties and the satisfaction of other final closing conditions.

Shares held in escrow

When the Company's shares were listed on the Exchange (the “Listing Date”), 4,500,000 shares were held in escrow. 10% of these escrowed shares were released on the listing date with the balance to be released from escrow in equal blocks of 15% at six-month intervals over the 36 months following the Listing Date. At December 31, 2021, 2,227,500 (2020 - 3,442,500) common shares remain held in escrow.

6. STOCK OPTIONS

The Company has implemented a stock option plan (“the Plan”) to be administered by the Board of Directors. Pursuant to the Plan the Board of Director’s has discretion to grant options for up to a maximum of 10% of the issued and outstanding common shares of the Company at the date the options are granted. The option price under each option shall be not less than the discounted market price on the grant date. The expiry date of an option shall be set by the Board of Directors at the time the option is awarded, shall not be more than ten years after the grant date. No related persons shall be granted or cumulatively have options in excess of 5% of the total shares issued and outstanding.

(In Canadian Dollars, except where noted)

6. STOCK OPTIONS (continued)

The following table reflects the continuity of stock options for the years presented:

	Number of stock options	Weighted average exercise price ($)
Balance December 31, 2019, and 2020	-	-
Granted (i)	575,000	0.265
Balance December 31, 2021	575,000	0.265

(i) On November 5, 2021, the Company granted stock options to consultants of the Company for the purchase of a total of 575,000 common shares. The options are exercisable for a period of two years at an exercise price of $0.265 per share and vest after three months. The fair value of these options at the date of grant was estimated at $74,210 using the Black-Scholes option pricing model with the following assumptions: share price - $0.265; risk free interest rate – 0.54%; expected volatility – 108% (which is based on historical volatility of the Company's share price); expected dividend yield - nil; expected life - 2 years. During the year ended December 31, 2021, the Company recognized $45,171 in connection with the option grant.

The following table reflects the stock options issued and outstanding as of December 31, 2021:

Expiry Date	Exercise Price ($)	Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
November 5, 2023	0.265	1.85	575,000	-
	0.265	**1.85**	**575,000**	**-**

7. WARRANTS

Share Purchase Warrants

The following table reflects the continuity of share purchase warrants for the years presented:

	Number of share warrants	Weighted average exercise price
Balance December 31, 2019	19,500,000	0.067
Exercised	(1,462,500)	0.067
Balance December 31, 2020	18,037,500	0.067
Exercised	(1,962,500)	0.067
Issued (note 5(v))	5,265,000	0.400
Balance December 31, 2021	21,340,000	0.150

Share purchase warrants outstanding as at December 31, 2021 are:

Expiry Date	Exercise Price ($)	Remaining Contractual Life (years)	Number of warrants Outstanding
July 17, 2024	0.067	2.55	16,075,000
October 1, 2023	0.40	1.75	4,705,000
October 8, 2023	0.40	1.77	560,000
Total	**0.15**	**2.35**	**21,340,000**

(In Canadian Dollars, except where noted)

7. WARRANTS (continued)

Agent Warrants

The following table reflects the continuity of agent warrants for the years presented:

	Number of agent warrants	Weighted average exercise price
Balance December 31, 2019	-	-
Issued (note 5(i))	454,950	0.067
Balance December 31, 2020	454,950	0.067
Exercised	(6,000)	0.067
Issued (note 5(v))	664,800	0.320
Balance December 31, 2021	1,113,750	0.220

Agent warrants outstanding as at December 31, 2021 are:

Expiry Date	Exercise Price ($)	Remaining Contractual Life (years)	Number of warrants Outstanding
April 13, 2022	0.067	0.28	448,950
October 1, 2023	0.32	1.75	664,800
Total	**0.22**	**1.16**	**1,113,750**

8. LOSS PER SHARE

For the year ended December 31, 2021, basic and diluted loss per share has been calculated based on the loss attributable to common shareholders of $9,084,534 (2020 - $251,107) and the weighted average number of common shares outstanding of 44,223,515 (2020 - 27,745,322). Diluted loss per share did not include the effect of 575,000 options outstanding (2020 - nil) or the effect of 21,340,000 share purchase warrants outstanding (2020 - 18,037,500 share purchase warrants outstanding), 1,113,750 agent purchase warrants outstanding (2020 - 454,950) and as they are anti-dilutive.

9. RELATED PARTY TRANSACTIONS

Related parties include Officers, the Board of Directors, close family members and enterprises which are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

The Company had the following transactions involving officers and directors for the year ended December 31, 2021:

- Administration expenses of $4,500 and management fees of $24,500 (2020 - $18,000) were paid or accrued for accounting services to a previous officer of the Company;
- Professional fees of $1,552 (2020 - $nil) were paid or accrued for CFO services to the current CFO of the Company
- Management fees of $47,000 (2020 - $36,000) were paid or accrued to a company controlled by an officer of the Company.

9. RELATED PARTY TRANSACTIONS (continued)

Included in accounts payable and accrued liabilities at December 31, 2021 is $2,679 (December 31, 2020 - $Nil) owed to related parties. The amounts owed to related parties are unsecured, non-interest bearing and due on demand.

10. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value

The Company's financial instruments consist of cash, and accounts payable and accrued liabilities. The carrying amounts of these financial instruments are a reasonable estimate of their fair values because of their current nature and market rates for similar financial instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial statements are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. As at December 31, 2021, management believes that the credit risk with respect to cash is minimal. Cash is held with reputable Canadian and Australian financial institutions, from which management believes the risk of loss to be minimal.

Liquidity risk

All of the Company's financial liabilities are classified as current and are anticipated to mature within the next fiscal year.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Company's functional currency. The Company is exposed to foreign exchange risk arising from various currency exposures primarily with respect to the USD, because the company holds the majority of its foreign financial instruments in USD. The Company's policy is not to enter into any currency hedging transactions. The Company's has AUD $136,241, and USD $252,667 of net monetary assets and monetary liabilities.

Sensitivity analysis

A 10% strengthening or weakening of the Canadian Dollar against the United States Dollar or Australian Dollar would have increased or decreased cumulative translation adjustments by approximately $45,637. This analysis assumes that all other variables, in particular interest rates, remain constant.

11. CAPITAL MANAGEMENT

Capital is comprised of the Company's shareholders' equity. The Company manages its capital structure to maximize its financial flexibility making adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets and business opportunities. The Company does not presently utilize any quantitative measures to monitor its capital. The Company is not subject to external capital restrictions. There were no changes in the Company's approach to capital management.

(In Canadian Dollars, except where noted)

12. INCOME TAXES

Rate reconciliation

A reconciliation of actual income tax expense and the accounting loss multiplied by the Company's statutory tax rate of 27% (2020 - 27%) is as follows:

	December 31, 2021	December 31, 2020
Loss before income taxes	**$ (9,084,534)**	$ (251,107)
	27 %	27 %
Expected income tax recovery based on statutory rate	**(2,452,824)**	(67,799)
Non-deductible	**2,276,682**	-
Change in unrecognized DITA	**176,142**	67,799
Total	**$ -**	**$ -**

Deferred tax assets and liabilities

Deferred taxes are a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities.

The following deferred tax assets and liabilities were recognized as at December 31, 2021 and 2020:

	December 31, 2021	December 31, 2020
Deferred income tax asset:		
Mineral properties	**$ 57,000**	$ 47,000
Non-capital losses carry forward	**260,000**	90,000
Share issue costs	**51,000**	14,000
True up	**-**	2,000
	(368,000)	(153,000)
Unrecognized deferred tax assets	**368,000**	153,000
Total	**$ -**	$ -

Non-capital losses

As at December 31, 2021, the Company has non-capital losses of $965,000 available to reduce taxable income in future years expiring as follows:

2039	$ 96,000
2040	226,000
2041	643,000
	$ 965,000

(In Canadian Dollars, except where noted)

13. COMMITMENTS AND CONTINGENCIES

On April 1, 2019 the Company entered into an executive consulting agreement (the "executive agreement") with a private company ("priveco") controlled by the previous CEO and director of the Company which will pay the priveco $4,000 per month. The term of the executive agreement is indeterminate. The executive agreement may be terminated by the Company, for cause without notice; after March 31, 2020, on six (6) months prior notice to the priveco, or payment in lieu thereof at the mutual agreement of the parties; and by the Company for the reason of the death or disability of the CEO without prior notice and without further obligation to the priveco. Effective January 1, 2020, an amendment to the executive agreement was signed which reduced the monthly rate to $3,000. All other terms of the executive agreement remain the same. Effective February 1, 2021, an amendment to the executive agreement was signed which increased the monthly rate to $4,000. All other terms of the executive agreement remain the same.

In April 2019, the Company entered into an administrative services agreement (the "admin agreement") with an arm's length private company ("adminco"), which will pay the adminco $2,500 per month to provide Chief Financial Officer and administration services for an initial one (1) year term. The admin agreement will renew annually unless the Company gives one (1) months' notice to adminco to terminate the admin agreement. Effective January 1, 2020, an amendment to the admin agreement was signed which reduced the monthly rate to $1,500. All other terms of the admin agreement remain the same. Effective February 1, 2021, an amendment to the admin agreement was signed which increased the monthly rate to $2,500. All other terms of the admin agreement remained the same. On December 15, 2021, the admin agreement was terminated.

14. SEGMENTED INFORMATION

The Company operates in one industry segment, namely exploration of mineral resources in two geographic regions, Canada and Australia in 2021. During the year ended December 31, 2020, the Company only operated in one geological area. All of the Company's site restoration deposits are located in Australia. Geographical segmentation of the expenses is as follows:

Year Ended December 31, 2021			
Expenses	Canada	Australia	Total
Administration expenses	$ 6,281	$ 33,584	**$ 39,865**
Exploration expenditures	8,394,652	7,360	**8,402,012**
Management fees	74,300	1,653	**75,953**
Marketing and shareholder communication	25,119	-	**25,119**
Professional fees	446,562	8,061	**454,623**
Transfer agent and filing fees	37,577	508	**38,085**
Share-based compensation	45,171	-	**45,171**
Foreign exchange loss	3,709	(3)	**3,706**
Net loss for the year	9,033,371	51,164	**9,084,534**
Cumulative translation adjustment	-	(2,865)	**(2,865)**
Net loss and comprehensive loss for the year	$ 9,033,371	$ 48,299	**$ 9,081,669**

15. SUBSEQUENT EVENTS

On January 20, 2022, the Company closed a second tranche of its previously announced non-brokered unit private placement, on a post-consolidation basis, by issuing 2,399,500 units at $0.25 per unit and raising $599,875. Each unit consists of a common share and a half (1/2) a common share purchase warrant, each whole warrant entitling the holder to purchase an additional common share at $0.40 per share for a two year period from closing. The term of the Warrants is subject to an accelerator clause that the Company can elect to trigger if the Company's share price trades above $0.50 for 30 consecutive trading days. In connection with the private placement, Foundation Markets Inc. received finder's fees of $17,440 and 69,760 agent warrants, each agent warrant entitling the holder to purchase a common share at $0.32 for a two year period. The term of the agent's warrants is subject to an accelerator clause that the Company can elect to trigger if RooGold's shares trade above $0.50 for 30 consecutive trading days.

On January 26, 2022, the Company announced that New South Wales ministerial approval of the indirect change in control of 1267248 B.C. ltd. wholly-owned subsidiary, Great Southern Precious Metals Pty Ltd. (the "Subsidiary"), has been received and the parties have now closed the Definitive Agreement in which RooGold has acquired 1267248 B.C. ltd. and its Subsidiary, which holds 100% interests in nine (9) past producing and exploratory properties in New South Wales (NSW).

On February 3, 2022, the Company announced the appointment of Alexandra Bonner as Chief Operations Manager. Additionally the Company granted 750,000 stock options, of which 250,000 vest on February 9, 2022, and the remainder vesting 250,000 each year on the anniversary. The stock options have an exercise price of $0.25 and are exercisable for a period of five years, expiring February 9, 2027.

On February 9, 2022, the Company announced effective March 4, 2022, Carlos Espinosa will be appointed as Chief Executive Officer (CEO), President and member of the Board of Directors. Further on March 4, 2022 the Company granted 1,000,000 stock options to Carlos Espinosa of which 166,667 stock options vest every six months starting on September 4, 2022. The stock options have an exercise price of $0.30 and are exercisable for a period of five years, expiring March 4, 2027.

On March 21, 2022, the Company announced the appointment of Michael Singer to the Company's board of directors. Additionally, the Company granted 350,000 stock options to Michael Singer of which 87,500 stock options vest every six months starting September 17, 2022. The stock options have an exercise price of $0.30 and are exercisable for a period of five years, expiring March 17, 2027.

Subsequent to the year ended December 31, 2021, 424,950 agent warrants with an exercise price of $0.066 were exercised. Additionally 24,000 agent warrants with an exercise price of $0.066 expired on April 13, 2022.