HAWKMOON RESOURCES CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the nine months ended December 31, 2022

(Expressed in Canadian Dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

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

The accompanying unaudited condensed interim financial statements of the Company for the nine months ended December 31, 2022 have been prepared by and are the responsibility of the Company’s management, and have not been reviewed by the Company’s auditors.

HAWKMOON RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
As at December 31, 2022 and March 31, 2022
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

		December 31, 2022		March 31, 2022
ASSETS				
Current				
Cash	$	148,174	$	1,038,138
Amounts receivable		119,224		113,672
Due from related party (Note 7)		43,486		40,865
Prepaid expenses and deposits (Note 7)		56,364		69,368
		367,248		1,262,043
Exploration and evaluation assets (Note 5)		554,069		357,500
	$	921,317	$	1,619,543
LIABILITIES				
Current				
Accounts payable and accrued liabilities (Note 7)	$	822,046	$	172,235
Premium on flow-through (Note 10)		-		140,103
		822,046		312,338
SHAREHOLDERS' EQUITY				
Share capital (Note 6)		5,150,870		4,888,794
Share subscriptions receivable		(34,565)		(48,065)
Contributed surplus		520,934		305,630
Accumulated deficit		(5,537,968)		(3,839,154)
		99,271		1,307,205
	$	921,317	$	1,619,543

Going concern (Note 2)
Commitments (Notes 5 and 10)
Subsequent event (Note 11)

APPROVED ON BEHALF OF THE BOARD:

"Branden Haynes"	Director	*"Hugh Oswald"*	Director
Branden Haynes		Hugh Oswald	

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

HAWKMOON RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the three and six months ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the three months ended December 31,		For the nine months ended December 31,	
	2022	**2021**	**2022**	**2021**
Expenses				
Consulting fees (Note 7)	$ 49,628	$ 209,486	$ 201,918	$ 621,977
Exploration costs (recovery) (Notes 5 and 7)	(86,909)	323,895	448,804	1,107,714
Marketing	44,593	121,165	251,223	281,554
Office and general	707	2,830	15,600	15,851
Regulatory and transfer agent fees	20,624	15,701	35,576	53,519
Rent (Note 7)	3,900	4,400	11,700	15,600
Share-based payment (Notes 6 and 7)	-	29,632	104,685	303,394
Professional fees (recovery)	(580)	28,123	78,924	76,014
Travel and conferences	13,920	11,136	29,863	17,661
Website	9,500	-	10,400	-
Write-off of mineral properties	-	-	69,700	-
	55,383	746,368	1,258,393	2,493,284
Loss before other items	(55,383)	(746,368)	(1,258,393)	(2,493,284)
Other items:				
Penalties and other interest charges (Note 10)	(572,414)	-	(580,524)	-
Other income (Note 10)	87,698	20,311	140,103	122,761
Unrealized loss from marketable securities	-	-	-	(15,000)
	(484,716)	20,311	(440,421)	107,761
Net loss and comprehensive loss for the period	$ (540,099)	$ (726,057)	$ (1,698,814)	$ (2,385,523)
Basic and diluted loss per share	$ (0.07)	$ (0.13)	$ (0.23)	$ (0.52)
Weighted average number of common shares outstanding	7,566,884	5,574,405	7,469,208	4,613,995

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

HAWKMOON RESOURCES CORP.
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the nine months ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Number of Shares		Share Capital		Share Subscriptions Receivable		Contributed Surplus		Accumulated Deficit		Total Shareholders' Equity
Balance, March 31, 2022	7,051,133	$	4,888,794	$	(48,065)	$	305,630	$	(3,839,154)	$	1,307,205
Private placement	370,000		185,000		-		-		-		185,000
Share issue cost – cash	-		(12,005)		-		-		-		(12,005)
Agent's warrants issued	-		(8,911)		-		8,911		-		-
Shares issued for mineral properties	103,000		44,700		-		-		-		44,700
Shares issue for RSU	42,750		53,292		-		(53,292)		-		-
Share subscriptions received	-		-		13,500		-		-		13,500
Warrant private placement	-		-		-		155,000		-		155,000
Share-based payments on RSU granted	-		-		-		4,685		-		4,685
Share-based payments on stock options granted	-		-		-		100,000		-		100,000
Net loss for the period	-		-		-		-		(1,698,814)		(1,698,814)
Balance, December 31, 2022	7,566,883	$	5,150,870	$	(34,565)	$	520,934	$	(5,537,968)	$	99,271

HAWKMOON RESOURCES CORP.
CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
For the nine months ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	Number of Shares	Share Capital	Share Subscriptions Receivable	Contributed Surplus	Accumulated Deficit	Total Shareholders' Equity
Balance, March 31, 2021	2,921,860	$ 1,676,330	$ 19,210	$ 3,080	$ (834,100)	$ 864,520
Initial public offering	750,000	750,000	-	-	-	750,000
Share issue cost - cash	-	(115,213)	-	-	-	(115,213)
Agent's warrants issued	-	(48,000)	-	48,000	-	-
Shares issued for cash	65,000	37,500	(18,600)	-	-	18,900
Exercise of stock options	38,000	79,800	-	(30,400)	-	49,400
Private placements	2,985,024	2,453,620	(15,777)	278,630	-	2,716,473
Less flow-through premium	-	(267,500)	-	-	-	(267,500)
Share issue cost - cash	-	(194,010)	-	-	-	(194,010)
Agent's warrants issued	-	(38,247)	-	38,247	-	-
Shares issued for mineral properties	133,000	154,500	-	-	-	154,500
Shares issued for RSU	85,500	76,950	-	(76,950)	-	-
Stock based payments	-	-	-	167,200	-	167,200
Stock based payments on RSU granted	-	-	-	136,194	-	136,194
Net loss for the period	-	-	-	-	(2,385,523)	(2,385,523)
Balance, December 31, 2021	6,978,384	$ 4,565,730	$ (15,167)	$ 564,001	$ (3,219,623)	$ 1,894,941

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

HAWKMOON RESOURCES CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
For the nine months ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)
(Unaudited – Prepared by Management)

	For the nine months ended December 31, 2022	2021
Operating Activities		
Net loss for the period	$ (1,698,814)	$ (2,385,523)
Item not affecting cash		
Other income	(140,103)	(122,761)
Share-based payments	104,685	303,394
Unrealized loss on marketable securities	-	15,000
Write-off of mineral property	69,700	-
Changes in non-cash working capital items related to operations:		
Amounts receivable	(5,552)	(93,575)
Prepaid expenses and deposits	13,004	(33,478)
Due to from related party	(2,621)	-
Accounts payable and accrued liabilities	649,811	118,689
Cash used in operating activities	(1,009,890)	(2,198,254)
Investing Activity		
Mineral property acquisition	(221,569)	(248,500)
Cash used in investing activity	(221,569)	(248,500)
Financing Activities		
Shares issued for cash	185,000	3,534,773
Share issue cost - cash	(12,005)	(309,223)
Share purchase warrants issued for cash	155,000	-
Share subscriptions received	13,500	-
Cash provided by financing activities	341,495	3,225,550
Change in cash during the period	(889,964)	778,796
Cash, beginning of period	1,038,138	764,429
Cash, end of the period	$ 148,174	$ 1,543,225
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest	$ -	$ -
Income taxes	$ -	$ -
Non-cash Transactions		
Shares issued for exploration and evaluation assets	$ 44,700	$ 154,500
Fair value transferred on exercise of stock options	$ -	$ 30,400
Fair value of agent’s warrants	$ 8,911	$ 86,247
Fair value on RSU issued	$ 53,292	$ 76,950

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONDENSED INTERIM FINANCIAL STATEMENTS

1. CORPORATE INFORMATION

The Company is a mineral property exploration company whose common shares trade on the Canadian Securities Exchange ("CSE"). On April 15, 2021, the Company was listed and commenced trading on the CSE on April 19, 2021 under the trading symbol "HM". On May 11, 2021, the Company also listed and commenced trading on the Börse Frankfurt in Germany under the symbol "966".

The Company was incorporated on April 26, 2019 in British Columbia. The head office and registered and records office of the Company is located at 409 Granville Street, Suite 1000, Vancouver, British Columbia, Canada, V6C 1T2.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC") and in accordance with International Accounting Standard ("IAS") 34 Interim Financial Reporting.

The condensed interim financial statements were authorized for issue by the Board of Directors on March 1, 2023.

(b) Basis of Measurement

The condensed interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in Note 3. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The financial statements are presented in Canadian dollars, unless otherwise noted.

(c) Going Concern

These condensed interim financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At December 31, 2022, the Company has not achieved profitable operations, has accumulated losses of $5,537,968 (March 31, 2022 - $3,839,154) since inception and expects to incur further losses in the development of its business.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

2. BASIS OF PREPARATION – (cont'd)

(c) Going Concern – (cont'd)

The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its exploration and evaluation activities, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

3. SIGNIFICANT ACCOUNTING POLICIES

The preparation of financial data is based on accounting principles and practices consistent with those used in the preparation of the audited financial statements as at March 31, 2022.

Recent accounting pronouncements

Classification of Liabilities as Current or Non-current (Amendments to IAS 1)

The amendments to IAS1 provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date. These amendments are effective for reporting periods beginning on or after January 1, 2023 and are not expected to have a material impact on the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in net loss in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Critical judgments, estimates and assumptions in applying accounting policies

Information about critical judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements within the next financial year are discussed below:

Exploration and Evaluation Assets and Impairment

The application of the Company's accounting policy for exploration and evaluation assets and impairment of the capitalized expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions made may change if new information becomes available. If, after an expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in profit or loss in the year the new information becomes available.

(Expressed in Canadian Dollars)

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS – (cont'd)

Going Concern

The assessment of the Company's ability to continue as a going concern requires significant judgement. See Note 2(c).

Title to Mineral Property Interests

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title or interest therein. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

5. EXPLORATION AND EVALUATION ASSETS

The following tables summarize the Company's exploration and evaluation assets as at December 31, 2022 and March 31, 2022.

As at December 31, 2022 and March 31, 2022	Romeo Property	Wilson Property	Lava Property	Barriere Property	Gilnockie Property	Total
Balance, March 31, 2021	$ 16,000	$ -	$ -	$ -	$ -	$ 16,000
Cash – payment	20,000	212,000	16,500	-	-	248,500
Shares issued	37,500	96,000	33,000	-	-	166,500
Write-off of mineral property	(73,500)	-	-	-	-	(73,500)
Balance, March 31, 2022	$ -	$ 308,000	$ 49,500	$ -	$ -	$ 357,500
Cash – payment	-	150,000	33,000	42,144	21,425	246,569
Shares issued	-	31,500	13,200	-	-	44,700
Cash - received	-	-	(25,000)	-	-	(25,000)
Write-off of mineral property	-	(24,000)	(45,700)	-	-	(69,700)
Balance, December 31, 2022	$ -	$ 465,500	$ 25,000	$ 42,144	$ 21,425	$ 554,069

The following tables summarize the Company's exploration expenditures for the nine months ended December 31, 2022 and 2021.

For the nine months ended December 31, 2022	Wilson Property	Barriere Property	Lava and Romeo Property	Total
Exploration expenditures				
Assays (recovery)	$ 11,235	$ -	$ (1,783)	$ 9,452
Drilling (recovery)	334,577		(15,979)	318,598
Field expenses and miscellaneous (recovery)	16,848	-	(2,347)	14,501
Geological (recovery)	93,965	12,146	(4,415)	101,696
Transportation	4,557	-	-	4,557
	$ 461,182	$ 12,146	$ (24,524)	$ 448,804

(Expressed in Canadian Dollars)

5. EXPLORATION AND EVALUATION ASSETS – (cont'd)

For the nine months ended December 31, 2021	Wilson Property	Lava Property	Romeo Property	Total
Exploration expenditures				
Assays	$ 11,280	$ -	$ -	$ 11,280
Geological	191,723	23,398	23,150	238,271
Drilling	525,289	166,226	-	691,515
Field expenses and miscellaneous	91,462	6,014	4,055	101,531
Survey	1,500	58,417	5,200	65,117
	$ 821,254	$ 254,055	$ 32,405	$ 1,107,714

Romeo Property

By a mineral property option agreement dated May 17, 2019, the Company may acquire up to a 100% interest in the Romeo Property. This property consists of 53 mineral claims located in the Quebec, Canada. As consideration, the Company will pay cash of $150,000, issue 150,000 (1,500,000 pre-consolidated) common shares of the Company and incur $1,000,000 in exploration expenditures as follows:

a) Cash payment of $10,000 and issuance of 30,000 (300,000 pre-consolidated) common shares within 60 days of acceptance of the Agreement (paid and issued);
b) Incur a minimum of $60,000 in exploration expenditures within the six months from the agreement date (incurred);
c) Cash payment of $20,000 and issuance of 30,000 (300,000 pre-consolidated) common shares of the Company within 30 days on the listing of the Company on the CSE (issued and paid);
d) Cash payment of $30,000 and issuance of 30,000 (300,000 pre-consolidated) common shares of the Company and incur $200,000 in exploration expenditures within one year after listing on the CSE (April 15, 2022);
e) Cash payment of $40,000 and issuance of 30,000 (300,000 pre-consolidated) common shares of the Company and incur $340,000 in exploration expenditures within two years after listing on the CSE (April 15, 2023); and
f) Cash payment of $50,000, issuance of 30,000 (300,000 pre-consolidated) common shares of the Company and incur $400,000 exploration expenditures within three years after listing on the CSE (April 15, 2024).

Should the Company acquire 100% of the property, the optionor will retain a 2% net smelter returns royalty, 1% of which may be purchased by the Company for $1,000,000.

During the year ended March 31, 2022, management of the Company has decided not to continue with this project and wrote-off the $73,500 in acquisition cost.

5. EXPLORATION AND EVALUATION ASSETS – (cont'd)

Wilson Gold Property

On April 22, 2021, the Company entered into an option agreement with Cartier Resources Inc. to acquire 100% interest in the Wilson Gold property located in Verneuil township east of the town of Lebel-sur-Quevillon Quebec. As consideration, the Company is required to pay cash of $1,000,000, issue an aggregate of 500,000 (5,000,000 pre-consolidated) common shares, incur not less than $6,000,000 in exploration expenditures and drill a minimum of 24,000 metres over a period of five years as follows:

a) Cash payment of $200,000 and issuance of 70,000 (700,000 pre-consolidated) common shares upon execution of the agreement (paid and shares issued);
b) Cash payment of $150,000, issuance of 70,000 (700,000 pre-consolidated) common shares, minimum exploration expenditures of $750,000 and drilling of 3,000m within the first anniversary date (paid, issued and incurred);
c) Cash payment of $150,000, issuance of 80,000 (800,000 pre-consolidated) common shares, minimum exploration expenditures of $750,000 and drilling of 3,000m within the second anniversary date;
d) Cash payment of $250,000, issuance of 80,000 (800,000 pre-consolidated) common shares, minimum exploration expenditures of $1,000,000 and drilling of 4,000m within the third anniversary date;
e) Cash payment of $250,000, issuance of 100,000 (1,000,000 pre-consolidated) common shares, minimum exploration expenditures of $1,500,000 and drilling of 6,000m within the fourth anniversary date;
f) Issuance of 100,000 (1,000,000 pre-consolidated) common shares, minimum exploration expenditures of $2,000,000 and drilling of 8,000m within the fifth anniversary date.
g) The Company still have commitments of royalties of 4% to various owners with the options to repurchase.

Upon exercise of the option, the Cartier Resources Inc. will retain a 2% net smelter return royalty ("NSR") of which 1% NSR may be purchased by the Company for $4,000,000.

On November 23, 2021, the Company entered into a purchase option agreement with three arms length individuals (the "Vendors") to acquire 100% interest in six mining claims which is contiguous to the Wilson gold property known as the Wilson East Property. As consideration, the Company will pay cash of $86,000 over three years (paid $12,000 on signing) and issue 40,000 (400,000 pre-consolidated) common shares over a three year period. Upon exercise of the option, the Vendors will retain 1.5% NSR of which 0.5% may be purchased by the Company for $600,000. During the period ended December 31, 2022, the Company decided not to proceed with this agreement and have written-off the $24,000 in acquisition cost.

5. EXPLORATION AND EVALUATION ASSETS – (cont'd)

Lava Gold Property

On May 18, 2021, the Company entered into an option agreement with two arms length individuals (the "Vendors") to acquire 100% interest in the Lava gold property located in Latulipe-et-Gaboury township of western Quebec. As consideration, the Company will pay cash of $115,500, issue 132,000 (1,320,000 pre-consolidated) common shares and complete $500,000 of work expenditures over three a year period as follows:

a) Cash payment of $16,500, issuance of 33,000 (330,000 pre-consolidated) common shares within five business days of exchange acceptance (paid and shares issued);
b) Cash payment of $33,000, issuance of 33,000 (330,000 pre-consolidated) common shares and incur $100,000 in exploration expenditures on or before the first anniversary date (paid and issued and incurred);
c) Cash payment of $33,000, issuance of 33,000 (330,000 pre-consolidated) common shares and incur an additional $200,000 in exploration expenditures on or before the second anniversary date;
d) Cash payment of $33,000, issuance of 33,000 (330,000 pre-consolidated) common shares and incur an additional $200,000 in exploration expenditures on or before the third anniversary date;

Upon exercise of the option, the Vendors will retain a 3% net smelter return royalty ("NSR") of which 1% NSR may be purchased by the Company for $1,000,000.

On September 1, 2022, the Company disposed of its Lava Gold Property to Elysian Capital Corp. ("Elysian") for consideration of $50,000 consisting of $25,000 in cash (received) and $25,000 in common shares of Elysian to be issued on or before the date (the "Listing Date") that Elysian completes a going public transaction, whereby the shares are successfully listed and trading on a Canadian securities exchange at a deemed price equivalent to the listing price. The shares will be subject to escrow and will be released in four tranches at 25% every three months following the listing date with the last release twelve months from listing. Accordingly, the Company has recorded a write-down of $45,700. As at December 31, 2022, the Company has not yet received the Elysian shares.

Barriere Property

On September 28, 2022, the Company entered into a land purchase and sale contract agreement with Strata GeoData Services Ltd. (the "Vendor") to acquire 100% interest in 12 mineral claims located in the Barriere property located in 21 kilometers northwest of the town of Barriere, British Columbia. As consideration, the Company paid a cash purchase price of $42,144.

Gilnockie Property

On November 14, 2022, the Company entered into a land purchase and sale contract agreement with Strata GeoData Services Ltd. (the "Vendor") to acquire 100% interest in 2 mineral claims, known as the Gilnockie property, located 40 kilometers south of Cranbrook, British Columbia. As consideration, the Company paid a cash purchase price of $21,425.

6. SHARE CAPITAL

(a) Authorized

Unlimited common shares with no par value.

On December 14, 2022, the Company consolidated its common shares on a ten old shares for one new share basis, accordingly, the condensed interim financial statements have been retroactively restated.

(b) Issued

During the nine months ended December 31, 2022:

On April 22, 2022, pursuant to the terms of an option agreement the Company issued 70,000 (700,000 pre-consolidated) common shares fair valued at $31,500.

On May 3, 2022, the Company issued 42,750 (427,500 pre-consolidated) common shares upon the vesting of Restricted Share Unit ("RSU") and transferred $53,292 from contributed surplus.

On May 16, 2022, the Company completed a private placement of 300,000 (3,000,000 pre-consolidated) units at a price of $0.50 ($0.05 pre-consolidated) per unit for total proceeds of $150,000. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.50 ($0.05 pre-consolidated) per share expiring on May 16, 2024. In connection with the private placement the Company paid cash finders fee of $12,005 and issued 56,000 (560,000 pre-consolidated) finder's warrants exercisable at $0.70 ($0.07 pre-consolidated) per share expiring on May 16, 2024. These finder's warrants were fair valued at $8,911 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 2.53%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.40 ($0.04 pre-consolidated). Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies.

On May 30, 2022, pursuant to the terms of an option agreement the Company issued 33,000 (330,000 pre-consolidated) common shares fair valued at $13,200.

On July 20, 2022, the Company completed a private placement of 10,000 (100,000 pre-consolidated) units at a price of $0.50 ($0.05 pre-consolidated) per unit for total proceeds of $5,000. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.70 ($0.07 pre-consolidated) per share expiring on July 20, 2024.

On July 26, 2022, the Company completed a private placement of 60,000 (600,000 pre-consolidated) units at a price of $0.50 ($0.05 pre-consolidated) per unit for total proceeds of $30,000. Each unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $0.70 ($0.07 pre-consolidated) per share expiring on July 26, 2024.

6. SHARE CAPITAL – (cont'd)

(b) Issued – (cont'd)

During the year ended March 31, 2022:

On April 16, 2021, the Company completed its offering and issued 750,000 (7,500,000 pre-consolidated) units for gross proceeds of $750,000. Each Unit is comprised of one common share and one Share purchase warrant (a "Warrant") entitling the holder to acquire one common share at a price of $1.50 ($0.15 pre-consolidated) per share expiring on April 16, 2023 subject to the option of the Company to accelerate the expiry date of the Warrants if the weighted average trading price of the common shares during the 10 consecutive trading days immediately prior to the date on which such calculation is made is equal to or greater than $0.25. In connection with the offering, the Company paid a cash finder's fee totaling $115,213 consisting of a commission of $60,000, corporate finance fee of $25,000 and other costs totaling $30,213. The Company also issued 60,000 (600,000 pre-consolidated) agent's warrants exercisable at $1.50 ($0.15 pre-consolidated) per share expiring on April 16, 2023. These finders' warrants were fair valued at $48,000 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.31%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $1.50 ($0.15 pre-consolidated). Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies.

On April 16, 2021, the Company issued 55,000 (550,000 pre-consolidated) common shares at a price of $0.50 ($0.05 pre-consolidated) for total proceeds of $27,500 and issued 10,000 (100,000 pre-consolidated) units at a price of $1.00 ($0.10 pre-consolidated) per unit for total proceeds of $10,000. Each unit consisted of one common share and one share purchase warrant exercisable at $1.50 ($0.15 pre-consolidated) per share expiring two years from listing.

On April 22, 2021, pursuant to the terms of an option agreement the Company issued 70,000 (700,000 pre-consolidated) common shares fair valued at $84,000.

On May 3, 2021, the Company issued 38,000 (380,000 pre-consolidated) common shares pursuant to the exercise of stock options for total proceeds of $49,400. The Company transferred $30,400 from contributed surplus to share capital.

On May 6, 2021, pursuant to the terms of an option agreement the Company issued 30,000 (300,000 pre-consolidated) common shares fair valued at $37,500.

On May 26, 2021, pursuant to the terms of an option agreement the Company issued 33,000 (330,000 pre-consolidated) common shares fair valued at $33,000.

6. SHARE CAPITAL – (cont'd)

(b) Issued – (cont'd)

During the year ended March 31, 2022: – (cont'd)

During August 2021, the Company completed a private placement of 711,457 (7,114,571 pre-consolidated) non-flow-through units ("NFT unit") at a price of $0.70 ($0.07 pre-consolidated) per NFT unit, and 341,500 (3,415,000 pre-consolidated) flow-through units ("FT unit") at a price of $1.00 ($0.10 pre-consolidated) per FT unit for a total gross proceed of $839,520. Each NFT unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $1.70 ($0.17 pre-consolidated) per share for period of 24 months from date of issuance. Each FT unit consisted of one flow-through common share and one share purchase warrant with similar terms as noted above. The Company recognized a flow-through premium of $102,450. In connection with the private placements, the Company paid cash finders fees of $60,176 and issued 47,733 (477,330 pre-consolidated) finders' warrants exercisable at $1.70 ($0.17 pre-consolidated) per share for a period of 24 months from the date of issuance. These finders' warrants were fair valued at $9,547 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.45%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.70 ($0.07 pre-consolidated). Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies.

On August 3, 2021, the Company issued 42,750 (427,500 pre-consolidated) common shares upon the vesting of RSU and transferred $53,438 from contributed surplus.

On November 3, 2021, the Company issued 42,750 (427,500 pre-consolidated) common shares upon the vesting of RSU and transferred $53,438 from contributed surplus.

During December 2021, the Company completed a private placement of 74,533 (745,332 pre-consolidated) common shares at a price of $0.75 ($0.075 pre-consolidated) per share for total gross proceeds of $55,900 of which $13,500 is included in share subscriptions receivable at March 31, 2022; 207,033 (2,070,333 pre-consolidated) non-flow-through units ("NFT unit") at a price of $0.90 ($0.09 pre-consolidated) per NFT unit for total gross proceeds of $186,330. Each NFT unit consisted of one common share and one share purchase warrant entitling the holder to purchase one common share at a price of $1.20 ($0.12 pre-consolidated) per share for period of 24 months from date of issuance.

842,500 (8,425,000 pre-consolidated) flow-through units ("FT unit") at a price of $1.00 ($0.10 pre-consolidated) per FT unit for total gross proceeds of $842,500 of which $53,775 is included in share subscription receivable at March 31, 2022. Each FT unit consisted of one flow-through common share and one-half share purchase warrant with each whole warrant (421,250 (4,212,500 pre-consolidated)) entitling the holder to purchase one common share at a price of $0.12 per share for a period of 24 months from the date of issuance. 808,000 (8,080,000 pre-consolidated) flow-through units ("FT unit") at a price of $1.00 ($0.10 pre-consolidated) per FT unit for total gross proceeds of $808,000 were issued. Each FT unit consisted of one flow-through common share and one share purchase warrant entitling the holder to purchase one common share at a price of $1.20 ($0.12 pre-consolidated) per share for period of 24 months from date of issuance. The Company paid cash finders fee of $18,045.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(b) Issued – (cont'd)

During the year ended March 31, 2022: – (cont'd)

For the two December 2021 Flow-through private placement, the Company recognized a flow-through premium of $165,050. In connection with the private placements, the Company recorded finders fees and share issue cost of $142,674 and issued 57,355 (573,549 pre-consolidated) finders' warrants exercisable at $1.00 ($0.10 pre-consolidated) per share for a period of 24 months from the date of issuance. These finders' warrants were fair valued at $28,700 using the Black-Scholes Option Pricing Model with the following assumptions: risk-free interest rate of 0.99%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.80 ($0.08 pre-consolidated).

On March 23, 2022, the Company issued another 10,000 (100,000 pre-consolidated) FT unit for total proceeds of $10,000 with similar terms as noted above and allocated $3,000 as flowthrough premium. The Company also issued another 69,000 (690,000 pre-consolidated) finders' warrants exercisable at $1.00 ($0.10 pre-consolidated) per share for a period of 24 months from the date of issuance. These finders' warrants were fair valued at $31,044 using the Black-Scholes-Option Pricing Model with the following assumptions risk-free interest rate of 0.99%; dividend yield of 0%; volatility of 100% and expected life of two years and a stock price of $0.90 ($0.09 pre-consolidated). Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable startup companies.

On February 3, 2022, the Company issued 42,750 (427,500 pre-consolidated) common shares upon the vesting of RSU and transferred $53,437 from contributed surplus.

On March 14, 2022, pursuant to the terms of an option agreement the Company issued 20,000 (200,000 pre-consolidated) common shares fair valued at $12,000.

(c) Share Purchase Warrants

On May 16, 2022, the Company completed its first tranche of the warrant offering of 4,200,000 share purchase warrants for total proceeds of $105,000. Each share purchase warrant entitle the holder to purchase one common share of the Company at a price of $0.025 per share expiring on May 16, 2024.

On August 28, 2022, the Company completed its second tranche of the warrant offering of 2,000,000 share purchase warrants for total proceeds of $50,000. Each share purchase warrant entitle the holder to purchase one common share of the Company at a price of $0.025 per share expiring on August 28, 2024.

The changes in share purchase warrants were as follows:

	December 31, 2022	Weighted Average Exercise Price	March 31, 2022	Weighted Average Exercise Price
Balance, beginning of period	4,197,500	$1.45	938,260	$1.50
Issued	990,000	0.36	3,259,240	1.43
Balance, end of period	5,187,500	$1.24	4,197,500	$1.45

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(c) Share Purchase Warrants – (cont'd)

As at December 31, 2022, the Company had 5,187,500 share purchase warrants outstanding as follows:

Number of Warrants	Exercise Price	Expiry Date	Weighted average remaining life
750,000	$1.50	April 16, 2023	0.29 yrs.
343,260	$1.50	April 19, 2023	0.30 yrs.
678,957	$1.70	August 2, 2023	0.59 yrs.
321,500	$1.70	August 9, 2023	0.61 yrs.
52,500	$1.70	September 10, 2023	0.69 yrs.
605,000	$1.50	April 19, 2024	1.30 yrs.
400,000	$1.20	December 1, 2023	0.92 yrs.
1,036,283	$1.20	December 8, 2023	0.94 yrs.
10,000	$1.20	March 23, 2024	1.23 yrs.
300,000	$0.50	May 16, 2024	1.38 yrs.
420,000	$0.25	May 16, 2024	1.38 yrs.
10,000	$0.70	July 20, 2024	1.55 yrs.
60,000	$0.70	July 26, 2024	1.57 yrs.
200,000	$0.25	August 28, 2024	1.61 yrs.
5,187,500			0.87 yrs.

(d) Finders' Warrants

The changes in finders' warrants were as follows:

	December 31, 2022	Weighted Average Exercise Price	March 31, 2022	Weighted Average Exercise Price
Balance, beginning of period	242,838	$1.26	8,750	$1.02
Issued	72,000	0.70	234,088	1.27
Balance, end of period	314,838	$1.13	242,838	$1.26

As at December 31, 2022, the Company had 314,838 finders' warrants outstanding as follows:

Number of Warrants	Exercise Price	Expiry Date	Weighted average remaining life
60,000	$1.50	April 16, 2023	0.29 yrs.
4,200	$0.50	April 19, 2023	0.30 yrs.
4,550	$1.50	April 19, 2023	0.30 yrs.
10,705	$1.70	August 2, 2023	0.59 yrs.
4,830	$1.70	August 9, 2023	0.61 yrs.
32,198	$1.70	September 10, 2023	0.69 yrs.
69,000	$1.00	December 1, 2023	0.92 yrs.
57,355	$1.00	December 8, 2023	0.94 yrs.
56,000	$0.70	May 16, 2024	1.38 yrs.
16,000	$0.70	Aug 28, 2024	1.66 yrs.
314,838			0.86 yrs.

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(e) Escrow Shares

Pursuant to an escrow agreement dated March 5, 2021, an aggregate of 610,000 (6,100,001 pre-consolidated) common shares were placed into escrow to be released as to 10% upon receipt of notice from the CSE confirming the listing of the Company's common shares on the CSE with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following receipt of such notice. As at December 31, 2022, the Company had 274,500 (2,745,000 pre-consolidated) (March 31, 2022 – 457,500 (4,575,001 pre-consolidated)) common shares held in escrow with the next escrow release on April 15, 2023.

(f) Stock Options

The Company adopted a stock option plan whereby the Board of Directors may, from time to time, grant incentive stock options to directors, officers, employees and consultants. Under the plan, stock options issued may not exceed 10% of the issued common shares of the Company. The term of the options shall be ten years from the grant date unless otherwise determined by the Board. The exercise price shall be determined by the Board but shall not be less than the fair market value of the common shares on the grant date.

On May 3, 2021, the Company granted 209,000 (2,090,000 pre-consolidated) stock options to directors, officers (160,000 (1,600,000 pre-consolidated)) and consultants (49,000 (490,000 pre-consolidated)). The stock options entitle the holders thereof the right to purchase one common share for each option at $1.30 ($0.13 pre-consolidated) per share expiring on May 3, 2025. These stock options vested at the date of grant with a fair value of $167,200 which was determined using the Black Scholes option valuation model with the following assumptions – Share price on date of grant of $1.250 ($0.125 pre-consolidated); Risk-free interest rate of 0.49%; Dividend yield of 0%; Expected life of 4 years; Forfeiture rate of 0% and Expected volatility of 100%. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable start-up companies.

On July 8, 2022, the Company granted 500,000 (5,000,000 pre-consolidated) stock options to directors, officers (350,000 (3,500,000 pre-consolidated)) and consultants (150,000 (1,500,000 pre-consolidated)). The stock options entitle the holders thereof the right to purchase one common share for each option at $0.50 ($0.05 pre-consolidated) per share expiring on July 8, 2027. These stock options vested at the date of grant with a fair value of $100,000 which was determined using the Black Scholes option valuation model with the following assumptions – Share price on date of grant of $0.30 ($0.03 pre-consolidated); Risk-free interest rate of 2.83%; Dividend yield of 0%; Expected life of 5 years; Forfeiture rate of 0% and Expected volatility of 100%. Since the Company does not have enough history of trading prices, the Company utilized annualized volatility of comparable start-up companies.

The changes in stock options were as follows:

	December 31, 2022	Weighted Average Exercise Price	March 31, 2022	Weighted Average Exercise Price
Balance, beginning of period	171,000	$1.30	-	$ -
Granted	500,000	0.50	209,000	1.30
Exercised	-	-	(38,000)	1.30
Balance, end of period	671,000	$0.70	171,000	$1.30

(Expressed in Canadian Dollars)

6. SHARE CAPITAL – (cont'd)

(f) Stock Options – (cont'd)

As at December 31, 2022, the Company had 671,000 stock options outstanding as follows:

Number of Options	Exercise Price	Expiry Date	Weighted average remaining life
171,000	$1.30	May 3, 2025	2.34 yrs.
500,000	$0.50	July 8, 2027	4.52 yrs.
671,000			3.96 yrs.

Restricted Share Unit Plan

On May 3, 2021, the Company agreed to grant 171,000 (1,710,000 pre-consolidated) Restricted Stock Unit ("RSU") to directors, officers and consultants of the Company that vest at 25% every three months with the first vesting on August 3, 2021. During the year ended March 31, 2022, the Company recognized $208,920 as share-based payment and, as the Company intends to settle the RSU through equity settlement, recorded a corresponding credit to contributed surplus. As at March 31, 2022, the Company had issued 128,250 (1,282,500 pre-consolidated) common shares upon the vesting of RSUs and transferred $160,313 from contributed surplus. During the nine months ended December 31, 2022, the Company recognized $4,685 as share-based payment. On May 16, 2022, the Company issued the remaining 42,750 (427,500 pre-consolidated) RSUs and transferred $53,292 from contributed surplus.

(Expressed in Canadian Dollars)

7. RELATED PARTY TRANSACTIONS AND BALANCES

The following expenses were incurred with key management personnel of the Company. Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include certain directors and officers. Key management compensation comprises:

	For the nine months ended December 31, 2022	2021
Consulting fees		
Branden Haynes, Director and CEO	$ 100,000	$ 109,048
Hugh Oswald, Director	-	6,000
Harmony Corporate Services Ltd. Company controlled by a former Director and former CFO	27,000	42,000
Thomas Clarke, a former Director and former VP explorations	-	7,134
	127,000	164,182
General exploration		
Company controlled by a former Director and former VP	62,502	159,274
Rent		
Company controlled by a former Director and former VP	4,500	3,000
Company controlled by former Director and former CFO	7,200	7,200
	11,700	10,200
Share-based payment		
Branden Haynes, Director and CEO	51,233	71,840
Geoff Balderson, former Director and former CFO	1,233	71,840
Hugh Oswald, Director	685	39,911
Thomas Clarke, former Director and former VP explorations	21,233	71,840
	74,384	255,431
	$ 275,586	$ 589,087

Included in prepaid expenses at December 31, 2022 is $6,355 (March 31, 2022 - $9,823) in advances on expenses and consulting fees to the CEO and former VP of explorations.

Included in accounts payable and accrued liabilities at December 31, 2022 is $25,013 (March 31, 2022 - $12,044) in unpaid consulting fees and other balances owing to current and former directors and officers of the Company. These amounts owing are unsecured, due on demand, and non-interest bearing.

As at December 31, 2022, due to related party of $43,487 (March 31, 2022 - $40,865) is an amount due from the CEO of the Company that is unsecured, non-interest bearing, and due on demand.

8. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of resource properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain credit worthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject to. Capital of the Company comprises of cash and shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the period ended December 31, 2022.

9. FINANCIAL INSTRUMENTS AND RISKS

The company is exposed through its operations to the following financial risks:

- Liquidity risk
- Market risk
- Credit risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company's exposure to financial instrument risks, its objectives, polices and processes for managing those risks or the methods used to measure them unless otherwise stated in the note.

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections.

The Company monitors its cash flows to meet the Company's normal operating requirements on an ongoing basis and its planned capital expenditures. All of the Company's financial liabilities have contractual maturities of 30 days or are due on demand and are subject to normal trade terms. As at December 31, 2022, the Company had a working capital deficiency of $454,798 (March 31, 2022 - $949,705).

9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The Company's ability to raise capital to fund mineral resource exploration is subject to risks associated with fluctuations in mineral resource prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's considers its exposure to interest rate risk to be not significant.

Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and other precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Credit Risk

Financial instruments that potentially expose the Company to credit risk is cash. To minimize the credit risk on cash the Company places the instrument with a high credit quality financial institution. The maximum exposure to loss arising from these advances is equal to their total carrying amounts.

Fair Values

The Company's financial instruments at amortized costs include cash, due from related party 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. It is impractical to determine the fair value of these financial instruments with sufficient reliability due to the nature of these financial instruments, the absence of secondary market and the significant cost of obtaining external appraisals. The fair value of these financial instruments approximates their carrying value under the effective interest method.

9. FINANCIAL INSTRUMENTS AND RISKS – (cont'd)

Fair Value Hierarchy

The Company classifies its fair value measurements in accordance with the three-level fair value hierarchy as follows:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities; and

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

10. FLOW-THROUGH

Flow-through common shares require the Company to spend an amount equivalent to the proceeds of the issued flow-through common shares on Canadian qualifying exploration expenditures. The Company may be required to indemnify the holders of such shares for any tax and other costs payable by them in the event the Company has not made the required exploration expenditures.

During the year ended March 31, 2022, the Company received $2,002,000 from the issuance of flow-through shares. These amounts will not be available to the Company for future deduction from taxable income. The Company renounced $2,001,834 to the subscribers. A flow-through premium of $270,500 was recognized initially, with $140,103 remaining as at March 31, 2022. As at December 31, 2022, Company did not fulfill its obligations of approximately $897,000. An amount totaling approximately $580,524 has been accrued for the indemnification of the shareholders for taxes and penalties related to the unspent portion of the commitment including Part XII.6 taxes and related interest penalties.

11. SUBSEQUENT EVENT

Subsequent to December 31, 2022:

On January 3, 2023, the Company entered into an mineral property option agreement to acquire a 100% interest in two metallic and industrial mineral permits in the Bonanza lithium brines property located in northwestern Alberta, Canada from a Company controlled by the former VP of Exploration. As consideration, the Company has agreed to pay total cash of $100,000 of which $10,000 was paid on the effective date, issue 600,000 common shares of the Company of which 300,000 common shares have been issued and incur $400,000 in exploration expenditures over a three year period.