

**WEDGEMOUNT RESOURCES CORP.**

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

**APRIL 30, 2021**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

**NOTICE OF NO AUDITOR REVIEW OF  
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

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

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

The accompanying condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

**WEDGEMOUNT RESOURCES CORP.**

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Expressed in Canadian Dollars)

(Unaudited)

As at

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**April 30,  
2021**

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**ASSETS****Current**

Cash	\$	173,203
Receivables		13,691
Prepays		17,500
Deferred financing fees		30,750
Deferred acquisition costs (Note 4)		25,000
		<hr/> 260,144

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**Exploration and evaluation assets (Note 4)**

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50,177

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**\$ 310,321**

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**LIABILITIES****Current**

Accounts payable and accrued liabilities (Notes 5 and 7)	\$	206,049
		<hr/> 206,049

**SHAREHOLDERS' EQUITY**

Share capital (Note 6)	422,750
Reserves (Note 6)	15,143
Deficit	(333,621)
	<hr/> 104,272

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**\$ 310,321**

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Nature of operations and going concern (Note 1)

Subsequent events (Note 12)

Approved by:

/s/ "Mark Vanry"  
Mark Vanry, Director

/s/ "Richard Barth"  
Richard Barth, Director

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

**WEDGEMOUNT RESOURCES CORP.****CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

(Expressed in Canadian Dollars)

(Unaudited)

	<b>Three months ended April 30, 2021</b>	<b>From incorporation on August 27, 2020 to April 30, 2021</b>
<b>Expenses</b>		
Administrative	\$ 1,125	\$ 9,425
Exploration evaluation expenditures (Note 4)	31,570	124,185
Filing and regulatory	9,321	25,414
Office and miscellaneous	4,130	11,550
Professional fees	73,595	147,904
Share-based payments (Notes 6 and 7)	9,756	15,143
<b>Loss and comprehensive loss for the period</b>	<b>\$ (129,497)</b>	<b>\$ (333,621)</b>
<b>Loss per common share – basic and diluted</b>	<b>\$ (0.01)</b>	<b>\$ (0.03)</b>
<b>Weighted average number of common shares outstanding – basic and diluted</b>	<b>13,414,607</b>	<b>12,006,504</b>

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

**WEDGEMOUNT RESOURCES CORP.**

## CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(Expressed in Canadian Dollars)

(Unaudited)

	Share Capital		Reserves	Deficit	Total
	Number of shares	Amount			
<b>August 27, 2020</b>	-	\$ -	\$ -	\$ -	\$ -
Issuance of common shares (Note 6)	14,900,000	422,000	-	-	422,000
Issuance of common shares for mineral property option agreement (Note 4)	150,000	3,000	-	-	3,000
Share issue costs	-	(2,250)	-	-	(2,250)
Share-based payments (Note 6)	-	-	15,143	-	15,143
Loss for the period	-	-	-	(333,621)	(333,621)
<b>April 30, 2021</b>	15,050,000	\$ 422,750	\$ 15,143	\$ (333,621)	\$ 104,272

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

**WEDGEMOUNT RESOURCES CORP.****CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS**

(Expressed in Canadian Dollars)

(Unaudited)

	<b>From incorporation on August 27, 2020 to April 30, 2021</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Loss for the period	\$ (333,621)
Adjust for item not involving cash:	
Share-based payments	15,143
Change in non-cash working capital items:	
Receivables	(13,691)
Prepays	(17,500)
Deferred financing costs	(30,750)
Deferred acquisition costs	(25,000)
Accounts payable and accrued liabilities	205,299
Net cash used in operating activities	(200,120)
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>	
Acquisition of exploration and evaluation assets	(47,177)
Net cash used in investing activity	(47,177)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	
Proceeds from issuance of share capital	422,000
Share issue costs	(1,500)
Net cash provided by financing activities	420,500
Change in cash	173,203
<b>Cash, beginning of period</b>	<b>-</b>
<b>Cash, end of period</b>	<b>\$ 173,203</b>

**Supplemental cash flow information (Note 8)**

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

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Wedgemount Resources Corp. (the "Company") was incorporated on August 27, 2020 under the Business Corporations Act of British Columbia. The Company is a mineral exploration company with a focus on acquiring, exploring and advancing exploration and evaluation assets in Canada. The Company's head office and registered and records office address is 40440 Thunderbird Ridge B1831, Garibaldi Highlands, BC, V0N 1T0. The Company is listed on the Canadian Securities Exchange ("CSE") under the symbol WDGY (Note 12).

These condensed interim consolidated 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 is not expected to continue operations for the foreseeable future. These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue in existence. The Company's continuation as a going concern is dependent upon the successful results from its business activities, its ability to obtain profitable operations and generate funds, and/or complete financings sufficient to meet current and future obligations. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

**Statement of compliance**

These condensed interim consolidated financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, as issued by the International Accounting Standards Board ("IASB") and the interpretations of the International Financial Reporting Interpretations Committee. They do not include all disclosures required by International Financial Reporting Standards ("IFRS") for annual financial statements.

**Approval of the financial statements**

These condensed interim consolidated financial statements were authorized by the Board of Directors of the Company on June 25, 2021.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**2. BASIS OF PRESENTATION****Basis of presentation**

These condensed interim consolidated financial statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for cash flow information and certain financial assets that are measured at fair value.

**Functional and presentation currency**

These condensed interim consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is the functional currency of the Company and its subsidiary.

**Principles of consolidation**

These condensed interim consolidated financial statements incorporate the financial statements of the Company and its subsidiary, 1265459 B.C. Ltd. Subsidiaries are entities which the Company controls, either directly or indirectly, where control is defined as the power to govern an entity's financial and operating policies and generally accompanies a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that may arise upon the exercise or conversion of non-voting securities are considered when assessing whether the Company controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company and they are deconsolidated from the date on which control ceases. All inter-company transactions and balances have been eliminated upon consolidation.

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Name of subsidiary	Country of incorporation	Percentage of ownership	Principal activity
1265459 B.C. Ltd.	Canada	100%	Holding company

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**Significant estimates**

The preparation of these condensed interim consolidated financial statements requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised.

Critical accounting estimates are estimates and assumptions made by management that may result in a material adjustment to the carrying amount of assets and liabilities within the next financial period and are, but are not limited to, the following:

**WEDGEMOUNT RESOURCES CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**2. BASIS OF PRESENTATION (cont'd...)**

**Significant estimates (cont'd...)**

Recovery of deferred tax assets

Judgment is required in determining whether deferred tax assets are recognized in the condensed interim consolidated statements of financial position. Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate taxable earnings in future periods in order to utilize recognized deferred tax assets. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realize the net deferred tax assets recorded at the date of the condensed interim consolidated statement of financial position could be impacted. Additionally, future changes in tax laws in the jurisdictions in which the Company operates could limit the ability of the Company to obtain tax deductions in future periods. The Company has not recorded any deferred tax assets.

Valuation of share-based payments

The Company uses the Black-Scholes option pricing model for valuation of share-based payments. Option pricing models require the input of subjective assumptions including expected price volatility, interest rate and forfeiture rate. Changes in the input assumptions can materially affect the fair value estimate and the Company's earnings (loss) and equity reserves.

**Significant judgments**

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in these condensed interim consolidated financial statements are, but are not limited to, the following:

Carrying value and the recoverability of exploration and evaluation assets

Management has determined that expenditures incurred on exploration and evaluation assets which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, scoping and feasibility studies, accessibility of facilities, and existing permits.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**3. SIGNIFICANT ACCOUNTING POLICIES****Financial instruments**Financial assets

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: amortized cost; fair value through other comprehensive income (“FVOCI”); or fair value through profit or loss (“FVTPL”). The classification of financial assets depends on the purpose for which the financial assets were acquired and is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. Financial assets are measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment’s fair value in other comprehensive income. The classification determines the method by which the financial assets are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded. Financial assets are classified as current assets or non-current assets based on their maturity date.

The Company’s financial assets consist of cash and receivables and are classified as amortized cost.

Impairment of financial assets

An expected credit loss (“ECL”) impairment model applies to financial assets classified and measured at amortized cost and contract assets and debt investments classified and measured at FVOCI, but not to investments in equity instruments. The ECL model requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the financial asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the assets, discounted at the assets’ original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial liabilities

Financial liabilities are designated as either: fair value through profit or loss; or amortized cost. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the consolidated statement of financial position subsequent to inception and how changes in value are recorded.

**WEDGEMOUNT RESOURCES CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)**

**Financial instruments (cont'd...)**

Financial liabilities (cont'd...)

The Company's financial liabilities consist of accounts payable and accrued liabilities and are classified as amortized cost.

**Foreign currency translation**

Transactions in foreign currencies are translated at the exchange rate in effect at the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated to their Canadian dollar equivalents using foreign exchange rates prevailing at the consolidated statement of financial position date. Non-monetary items are translated into Canadian dollars at the exchange rate in effect on the respective transaction dates. Revenues and expenses are translated at average rates for the period, except for depreciation, which is translated on the same basis as the related asset. Exchange gains or losses arising on foreign currency translation are reflected in profit or loss for the period.

**Deferred financing fees**

The Company has entered into an agreement for an initial public offering. Costs relating to the potential share issuances are recorded as deferred financing fees in advance of issuing shares. Once the shares have been issued, the costs will be recorded as share issue costs. The costs will be written-off should the potential offering not be completed.

**Deferred acquisition costs**

Costs relating to the acquisition of potential exploration and evaluation assets are recorded as deferred acquisition costs in advance of obtaining the asset. Once the asset has been acquired, the costs will be recorded as capitalized costs. The costs are written-off should the potential acquisition no longer be considered viable.

**Exploration and evaluation assets**

The Company is in the process of exploring its exploration and evaluation assets and has not yet determined whether these properties contain ore reserves that are economically recoverable.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****Exploration and evaluation assets (cont'd...)**

Exploration and evaluation costs on exploration and evaluation assets are recognized in profit or loss. Costs incurred before the Company has obtained the legal rights to explore an area of interest are recognized in profit or loss. All costs related to the acquisition of exploration and evaluation assets are capitalized on an individual prospect basis. Amounts received for the sale of exploration and evaluation assets, for option payments and for exploration advances are treated as reductions of the cost of the property, with payments in excess of capitalized costs recognized in profit or loss. Costs for a producing property will be amortized on a unit-of-production method based on the estimated life of the ore reserves. The recoverability of the amounts capitalized for the undeveloped exploration and evaluation assets is dependent upon the determination of economically recoverable ore reserves, confirmation of the Company's interest in the underlying mineral claims, the ability to obtain the necessary financing to complete their development, and future profitable production or proceeds from the disposition thereof.

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that property options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as exploration and evaluation asset costs or recoveries when the payments are made or received. When the option payments received exceed the carrying value of the related exploration and evaluation asset then the excess is recognized in profit or loss in the period the option receipt is recognized. Option receipts in the form of marketable securities are recorded at the quoted market price on the day the securities are received.

**Rehabilitation provisions**

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations, including those associated with the rehabilitation of exploration and evaluation assets, when those obligations result from the acquisition, construction, development or normal operation of the assets. Initially, a liability for rehabilitation obligation is recognized at its fair value in the period in which it is incurred if a reasonable estimate of cost can be made. The Company records the present value of estimated future cash flows associated with rehabilitation as a liability when the liability is incurred and increases the carrying value of the related assets for that amount. Subsequently, these capitalized rehabilitation costs are amortized over the life of the related assets. At the end of each period, the liability is increased to reflect the passage of time (accretion expense) and changes in the estimated future cash flows underlying any initial estimates (additional rehabilitation costs).

The Company recognizes its environmental liability on a site-by-site basis when it can be reliably estimated. Environmental expenditures related to existing conditions resulting from past or current operations and from which no current or future benefit is discernible are charged to profit or loss. The Company had no measurable rehabilitation obligations for the period presented.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****Impairment**

At the end of each reporting period, the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit ("CGU") to which the asset belongs.

Where an impairment subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior periods. A reversal of an impairment loss is recognized in profit or loss.

**Related party transactions**

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

**Share capital**

Common shares are classified as shareholders' equity. Incremental costs, net of tax effects, directly attributable to the issue of common shares are recognized as deductions from shareholders' equity. Common shares issued for consideration other than cash are valued based on their market value at the date the shares are issued.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in the private placements to be the more easily measurable component. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

When warrants expire unexercised, the value previously recorded in reserves is transferred to share capital.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****Share-based payments**

The Company accounts for all grants of options to directors, officers, employees, consultants, and advisors in accordance with the fair value method for accounting for share-based payments. Share-based payment awards are calculated using the Black-Scholes option pricing model. Share-based payments to consultants and advisors, who are not providing similar services as employees, are measured at the grant date by using the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services received cannot be reliably measured and are recorded at the date the goods or services are received.

Compensation expense for share-based payments is recognized immediately for past services and pro-rata for future services over the vesting period of the share-based payment. A corresponding increase in reserves is recorded when share-based payments are expensed. When stock options are exercised, share capital is credited by the sum of the consideration paid and the related portion of share-based payments previously recorded in reserves. When options expire unexercised or are forfeited, the related portion of share-based payments previously recorded in reserves is transferred to deficit.

**Income (loss) per share**

The Company presents basic and diluted earnings (loss) per share data for its common shares. Basic earnings (loss) per share are calculated by dividing the loss attributable to common shares of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per share are computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options and warrants were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods. There was no dilutive effect for the period presented.

**Income taxes**

Deferred tax is generally provided on all temporary differences at the consolidated statement of financial position date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the reporting date.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

**3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)****New standards, interpretations and amendments to existing standards not yet effective**

A number of new standards and amendments to standards and interpretations have been issued by the IASB and are effective for annual periods beginning after August 1, 2020. These have not been applied in preparing these consolidated financial statements. There are no IFRSs or IFRS Interpretations Committee interpretations that are not yet effective that would be expected to have a material impact on these consolidated financial statements.

**4. EXPLORATION AND EVALUATION ASSETS**

<b>Property</b>	<b>Eagle</b>	<b>Cookie</b>	<b>Total</b>
August 27, 2020	\$ -	\$ -	\$ -
Cash	15,000	32,177	47,177
Share issuances	3,000	-	3,000
April 30, 2021	\$ 18,000	\$ 32,177	\$ 50,177

**Eagle property**

On September 23, 2020, the Company entered into an option agreement (the "Agreement") with ArcWest Exploration Inc. ("ArcWest") to acquire an initial 60% percent interest ("First Option") in and to certain mineral claims located in northern British Columbia which are collectively known and described as the Eagle Property ("Eagle").

To acquire Eagle, the Company must make cash payments totaling \$110,000, fund a total of \$2,050,000 in exploration expenditures, and issue a total of 1,350,000 common shares by December 31, 2023, as follows:

	Acquisition in cash	Exploration expenditures	Acquisition in shares
September 23, 2020 (completed)	\$ 15,000	\$ -	150,000
Commencement of the Company's shares trading (Note 12)	10,000	-	250,000
December 31, 2020 (completed)	-	50,000	-
December 31, 2021	25,000	250,000	250,000
December 31, 2022	30,000	750,000	300,000
December 31, 2023	30,000	1,000,000	400,000
	\$ 110,000	\$ 2,050,000	1,350,000

**WEDGEMOUNT RESOURCES CORP.**

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

**4. EXPLORATION AND EVALUATION ASSETS (cont'd...)****Eagle property (cont'd...)**

Upon completion of the First Option and providing notice to ArcWest, the Company will have a 60 day period to earn an additional 20% interest, for an aggregate 80% interest ("Second Option") or form a joint venture ("JV"). The Second Option can be attained by completing and delivering to ArcWest a feasibility study on or before the fourth anniversary of the date notice was given. In order to keep the Second Option in good standing, the Company will be obligated to pay to ArcWest \$100,000 on each anniversary of the delivery of the notice until such time that the feasibility study has been completed and delivered to ArcWest. Following the exercise or lapse of the Second Option, the parties will form a JV to hold and operate Eagle, which each party will proportionately fund.

Should either the Company or ArcWest's interest be diluted to less than 10%, then that interest will convert to a 2% Net Smelter Return Royalty ("NSR"), 1% of which may be purchased by the other party for \$2,000,000 at any time. Eagle is also subject to a 2% NSR in favour of a past property owner, 1% of which may be purchased for \$1,000,000.

**Cookie property (formerly the Red property)**

During the period from incorporation on August 27, 2020 to April 30, 2021, the Company acquired this property by staking.

Exploration and evaluation expenditures

Exploration and evaluation expenditures for the period from incorporation on August 27, 2020 to April 30, 2021 are as follows:

<b>Property</b>	<b>Eagle</b>	<b>Cookie</b>	<b>Total</b>
Assay	\$ 650	\$ -	\$ 650
Claims maintenance	-	1,774	1,774
Fieldwork, supplies, and miscellaneous	1,450	500	1,950
Geological	35,088	2,764	37,852
Geophysics	78,660	-	78,660
Travel	3,299	-	3,299
	\$ 119,147	\$ 5,038	\$ 124,185

**Deferred acquisition costs**

As at April 30, 2021, the Company had paid deferred acquisition costs of \$25,000 for potential exploration and evaluation assets (Note 12).

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

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	<b>April 30, 2021</b>
Accounts payable	\$ 154,139
Accrued liabilities	51,910
	<hr/> <b>\$ 206,049</b> <hr/>

**6. SHARE CAPITAL****Authorized share capital**

The Company's authorized capital consists of an unlimited number of common shares without par value.

**Issued share capital**

During the period from incorporation on August 27, 2020 to April 30, 2021, the Company issued:

- a) 1 common share at a price of \$0.01 per common share for total proceeds of \$nil;
- b) 3,999,999 units at a price of \$0.01 per unit for total proceeds of \$40,000. Each unit was comprised of one common share and one warrant, exercisable at a price of \$0.10 per common share until September 10, 2023;
- c) 8,850,000 units at a price of \$0.02 per unit for total proceeds of \$177,000. Each unit was comprised of one common share and one warrant, exercisable at a price of \$0.10 per common share until September 21, 2023;
- d) 150,000 common shares, valued at \$3,000, pursuant to the Eagle option agreement (Note 4); and
- e) 2,050,000 common shares at a price of \$0.10 per common share by way of a non-brokered private placement, for total proceeds of \$205,000.

**Escrow shares**

On January 12, 2021, the Company entered into an escrow agreement pursuant to which 700,000 common shares have been placed in escrow and are subject to release in tranches over time in accordance with the policies of the Canadian Securities Administrators. The escrow agreement provides that 10% of the escrowed shares will be released from escrow upon the original CSE listing date and that an additional 15% will be released therefrom every six-month interval thereafter, over a period of 36 months. As at April 30, 2021, there are 700,000 shares held in escrow.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

**6. SHARE CAPITAL (cont'd...)****Stock options**

The Company has a rolling stock option plan under which the Board of Directors ("Board") may, from time to time in its discretion, grant options to acquire common shares of the Company to its directors, officers, employees, consultants, and advisors. The number of shares reserved for issuance under the plan may not exceed 10% of the number of issued and outstanding common shares of the Company. The exercise price of each option is determined by the Board but shall not be less than the market price of the Company's shares on the date prior to the date of grant less any discounts permitted by the CSE under its policies. The options may be granted for a maximum term of 10 years and are subject to such vesting provisions as may be determined by the Board.

During the period from incorporation on August 27, 2020 to April 30, 2021, the Company granted 325,000 stock options and recorded share-based payments of \$15,143.

The weighted average fair value of stock options granted during the period from incorporation on August 27, 2020 to April 30, 2021 was \$0.07 per option. The fair value was calculated using the Black-Scholes option pricing model using the following assumptions:

	<b>From incorporation on August 27, 2020 to April 30, 2021</b>
Risk-free interest rate	0.43%
Volatility	100%
Expected life	5 years
Expected dividend yield	-
Expected forfeiture rate	-

Option transactions are summarized as follows:

	<b>Number of options</b>	<b>Weighted average exercise price</b>
Balance as at August 27, 2020	-	\$ -
Issued	325,000	0.10
Balance as at April 30, 2021	325,000	\$ 0.10

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

**6. SHARE CAPITAL (cont'd...)****Stock options (cont'd...)**

As at April 30, 2021, the Company had outstanding options enabling the holders to acquire common shares as follows:

<b>Number of options</b>	<b>Number of exercisable options</b>	<b>Exercise price</b>	<b>Weighted average remaining life (years)</b>	<b>Expiry date</b>
325,000	81,250	\$ 0.10	4.65	December 23, 2025
325,000	81,250			

**Warrants**

Warrant transactions are summarized as follows:

	<b>Number of warrants</b>	<b>Weighted average exercise price</b>
Balance as at August 27, 2020	-	\$ -
Issued	12,849,999	0.10
Balance as at April 30, 2021	12,849,999	\$ 0.10

As at April 30, 2021, the Company had outstanding warrants enabling the holders to acquire common shares as follows:

<b>Number of warrants</b>	<b>Exercise price</b>	<b>Weighted average remaining life (years)</b>	<b>Expiry date</b>
3,999,999	\$ 0.10	2.36	September 10, 2023
8,850,000	\$ 0.10	2.39	September 21, 2023
12,849,999			

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

**6. SHARE CAPITAL (cont'd...)****Escrow warrants**

On January 12, 2021, the Company entered into an escrow agreement pursuant to which 699,999 warrants have been placed in escrow and are subject to release in tranches over time in accordance with the policies of the Canadian Securities Administrators. The escrow agreement provides that 10% of the escrowed warrants will be released from escrow upon the original CSE listing date and that an additional 15% will be released therefrom every six-month interval thereafter, over a period of 36 months. As at April 30, 2021, there are 699,999 warrants held in escrow.

**7. RELATED PARTY TRANSACTIONS**

The Company considers key management personnel to consist of its directors and officers. The following expenses were incurred in transactions with key management personnel:

		<b>From incorporation on August 27, 2020 to April 30, 2021</b>
Share-based payments	\$	9,320
	\$	9,320

As at April 30, 2021, included in accounts payable and accrued liabilities was \$43,758 owing to a director.

**8. SUPPLEMENTAL CASH FLOW INFORMATION**

The significant non-cash financing and investing activities are as follows:

		<b>From incorporation on August 27, 2020 to April 30, 2021</b>
Share issue costs included in accounts payable and accrued liabilities	\$	750

**WEDGEMOUNT RESOURCES CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**9. SEGMENTED INFORMATION**

The Company operates in a single reportable operating segment being the acquisition and exploration of exploration and evaluation assets located in Canada.

**10. FINANCIAL INSTRUMENT RISK**

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. As at April 30, 2021, the Company's risk exposure and the impact on the Company's financial instruments are summarized below:

**Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's credit risk is primarily attributable to its liquid financial assets, being cash and receivables. The bank accounts are held with a major Canadian bank and this minimizes the risk to the Company. Receivables are due from a government agency.

**Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is through regular monitoring of cash requirements. When necessary, the Company obtains financing from various investors to ensure all future obligations are fulfilled. The Company is subject to liquidity risk.

**Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of market price changes:

Foreign currency exchange risk

This risk relates to any changes in foreign currencies in which the Company transacts. The Company is currently not exposed to foreign currency exchange rate fluctuations as the Company only conducts business in Canada and in Canadian dollars.

Interest rate risk

This risk relates to the change in the borrowing rates of the Company. The Company is not exposed to interest rate risk as it does not have any significant financial instruments with interest rates, with the exception of cash. Interest earned on cash is based on prevailing bank account interest rates, which may fluctuate. A 1% change in interest rates would result in a nominal difference for the period from incorporation on August 27, 2020 to April 30, 2021.

**WEDGEMOUNT RESOURCES CORP.**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**10. FINANCIAL INSTRUMENT RISK (cont'd...)**

**Market risk (cont'd...)**

Price risk

This risk relates to fluctuations in commodity and equity prices. The Company closely monitors commodity prices of precious and base metals, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in pricing may be significant.

The Company does not currently use financial instruments designed to hedge these market risks.

**Fair value hierarchy**

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

Level 1

Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.

Level 2

Pricing inputs are other than quoted prices in active markets included in level 1. Prices in level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

Level 3

Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The Company has classified its cash, receivables and accounts payable and accrued liabilities as amortized cost. The fair value of cash, receivables, and accounts payable and accrued liabilities approximates their carrying values because of the short-term nature of these instruments.

**WEDGEMOUNT RESOURCES CORP.****NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian Dollars)

(Unaudited)

APRIL 30, 2021

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**11. CAPITAL MANAGEMENT**

The Company defines capital as cash, debt, and the components of shareholders' equity. The Company's objectives when managing capital are to identify, pursue, and complete the exploration and development of its exploration and evaluation assets, to maintain financial strength, to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness, and to maximize returns for shareholders over the long term. The Company manages its capital in a manner consistent with the risk characteristics of the assets it holds. All financings, including equity and debt, are analyzed by management and approved by the Board of Directors. The Company does not have any externally imposed capital requirements.

**12. SUBSEQUENT EVENTS**

Subsequent to April 30, 2021, the Company:

- a) listed its common shares on the CSE and completed an initial public offering of 6,000,000 common shares at \$0.10 per share for gross proceeds of \$600,000. The Company has entered into an agency agreement in respect to the proposed offering and has agreed to pay a commission of 7% of the gross proceeds, being \$42,000, a corporate finance fee of \$30,000, and the agent's costs of the offering. The Company previously paid a deposit of \$30,750 to the agent. The agent was issued warrants equal to 7% of the number of common shares sold under the offering, being 420,000 warrants, exercisable at a price of \$0.10 per common share, for a period of two years from the date of issue;
- b) issued 250,000 common shares and paid \$10,000 pursuant to the Eagle Agreement (Note 4);
- c) granted 1,000,000 stock options, exercisable at a price of \$0.45 per common share, with 250,000 vesting on each of the three, six, nine, and 12 month anniversaries of the grant date, expiring on May 25, 2026;
- d) entered into an option agreement to acquire a 100% percent interest in and to certain mineral claims located in the southern Toodoggone copper belt of north-central British Columbia which are collectively known and described as the Cookie property ("Cookie"). To acquire Cookie, the Company must make cash payments totaling \$220,000 (\$20,000 paid), fund a total of \$1,075,000 in exploration expenditures, and issue a total of 1,800,000 common shares (150,000 issued). The Optionor retained a 2% NSR of which 1% may be purchased for \$1,000,000 at any time and a 1.25% NSR on any additional staked property within the area of interest of which 0.25% may be purchased for \$1,000,000 at any time; and
- e) entered into an option agreement to acquire a 100% percent interest in and to certain mineral claims located in south-central British Columbia which are collectively known and described as the Friendly Lake-Deer Lake copper-gold property ("Friendly"). To acquire Friendly, the Company must make cash payments totaling \$775,000 (\$25,000 paid), fund a total of \$6,750,000 in exploration expenditures, and issue a total of 5,000,000 common shares (200,000 issued). The Company previously paid \$15,000 for a first right of refusal on the property. The Optionor retained a 3% NSR of which 1.5% may be purchased for \$2,000,000 prior to a production decision.