
LEOPARD LAKE GOLD CORP.
CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIODS ENDED MARCH 31, 2022 AND MARCH 31, 2021
(EXPRESSED IN CANADIAN DOLLARS)

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the 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 have been prepared by and are the responsible of the Company's management. The unaudited condensed interim financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of unaudited condensed interim financial statements and are in accordance with International Accounting Standard 34 - Interim Financial Reporting.

The Company's independent auditor has not performed a review of these unaudited condensed interim 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.

LEOPARD LAKE GOLD CORP.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2022 AND DECEMBER 31, 2021
(Expressed in Canadian dollars)

	March 31, 2022	December 31, 2021
ASSETS		
CURRENT		
Cash	\$ 392,132	\$ 351,357
Amounts receivable	6,658	23,942
Prepaid expenses	14,088	7,000
	412,878	382,299
EXPLORATION AND EVALUATION ASSET (<i>Note 4</i>)	707,590	524,657
	\$ 1,120,468	\$ 906,956
LIABILITIES		
CURRENT		
Accounts payable	\$ 17,048	\$ 48,543
Flow-through premium liability (<i>Note 5</i>)	18,000	18,000
	35,046	66,543
SHAREHOLDERS' EQUITY		
SHARE CAPITAL (<i>Note 5</i>)	1,306,516	1,162,598
SUBSCRIPTIONS RECEIVABLE (<i>Note 5</i>)	-	(143,873)
CONTRIBUTED SURPLUS	197,782	125,907
DEFICIT	(418,878)	(304,219)
	1,085,420	840,413
	\$ 1,120,468	\$ 906,956

NATURE OF BUSINESS AND CONTINUING OPERATIONS (*Note 1*)
COMMITMENTS (*Note 10*)
SUBSEQUENT EVENTS (*Note 11*)

Approved on behalf of the Board:

"Don Hoy"
Director

"Mark Lotz "
Director

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

LEOPARD LAKE GOLD CORP.
CONDENSED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS PERIOD ENDED MARCH 31
(Expressed in Canadian dollars)

	2022	2021
EXPENSES		
Advertising and promotion	\$ 2,500	\$ -
Professional fees	11,968	-
Management fees (<i>Note 6</i>)	18,000	9,000
Office and miscellaneous expense (recovery)	3,213	745
Listing fees	4,853	-
Rent (<i>Note 6</i>)	2,250	2,250
Share-based payment (<i>Note 5</i>)	71,875	-
NET LOSS AND COMPREHENSIVE LOSS	\$ 114,659	\$ 11,995
LOSS PER SHARE – BASIC AND DILUTED	\$ (0.01)	\$ (0.00)
WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING – BASIC AND DILUTED	21,502,040	12,200,001

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

LEOPARD LAKE GOLD CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

	2021	2021
OPERATING ACTIVITIES		
Net loss for the period	\$ (114,659)	\$ (11,995)
Non-cash expense:		
Share-based payment	71,875	-
Changes in non-cash working capital balances:		
Amounts receivable	17,284	(582)
Prepaid expenses	(7,088)	(20,000)
Accounts payable	(31,495)	(1)
Cash used in operating activities	(64,083)	(32,576)
INVESTING ACTIVITIES		
Exploration and evaluation assets	(32,933)	-
FINANCING ACTIVITIES		
Shares issued for cash	137,791	-
CHANGE IN CASH	40,775	(32,576)
CASH, BEGINNING OF PERIOD	351,357	124,456
CASH, END OF PERIOD	\$ 392,132	91,880

The Company did not pay any interest or income taxes in cash during the periods.

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

LEOPARD LAKE GOLD CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

	Common shares		Contributed surplus	Subscription receivable	Deficit	Total equity
	Number of shares	Amount				
As December 31, 2020	12,200,001	265,000	30,000		(63,607)	231,393
Net loss for the period					(11,995)	(11,995)
As at March 31, 2021	12,200,001	265,000	30,000	-	(75,602)	219,398
As at December 31, 2021	24,490,001	1,162,598	125,907	(143,873)	(304,219)	840,413
Shares issued for property	1,071,429	150,000	-	-	-	150,000
Share issuance costs		(6,082)				(6,082)
Subscriptions received	-	-	-	143,873	-	143,873
Share based compensation	-	-	71,875	-	-	71,875
Net loss for the period	-	-	-	-	(105,572)	(105,572)
	25,561,430	1,306,516	197,782	-	(409,791)	1,094,507

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

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

Leopard Lake Gold Corp. (“the Company”) was incorporated on July 9, 2020 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 9285 – 203B Street, Langley, British Columbia, Canada. The common shares of the Company trade on the Canadian Stock Exchange under the symbol CSE:LP.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at March 31, 2021, the Company has not yet determined whether the Company’s mineral property assets contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

The Company had a deficit of \$418,878 as at March 31, 2022, which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying value is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. BASIS OF PREPARATION

Statement of Compliance

These unaudited condensed interim financial statements of the Company have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) and International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations of the Financial Reporting Interpretations Committee (“IFRIC”). These unaudited condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the audited financial statements and notes thereto as of and for the year ended June 30, 2021. These unaudited condensed interim financial statements were authorized for issue in accordance with a resolution from the Board of Directors on May 27, 2022.

Basis of Measurement

These unaudited condensed interim financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. These unaudited condensed interim financial statements follow the same accounting policies and methods of application as the annual audited financial statements for the year ended June 30, 2021. The adoption of new accounting standards has had no material impact on the financial statements. The functional and presentation currency of the Company is the Canadian dollar.

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Company's significant accounting policies and critical accounting estimates applied in the unaudited condensed interim financial statements are the same as those applied on the Company's annual financial statements for the period ended June 30, 2021.

4. EXPLORATION AND EVALUATION ASSET

	Stella Property	St. Robert Property	Leduc Property	Total
<i>Acquisition costs</i>				
Balance at January 1, 2020				
Cash	\$ -	\$ -	\$ 12,000	\$ 12,000
Balance at December 31, 2020	-	-	12,000	12,000
Balance at January 1, 2021	-	-	12,000	12,000
Option payments	35,000	15,000	34,000	84,000
Shares	195,000	130,000		325,000
Balance at December 31, 2021	230,000	145,000	46,000	421,000
Balance at January 1, 2022	230,000	145,000	46,000	421,000
Cash		25,000		25,000
Shares		150,000		150,000
Balance, March 31, 2022	\$ 230,000	\$ 320,000	\$ 46,000	\$ 596,000
<i>Exploration costs</i>				
Balance January 1, 2020	\$ -	\$ -	\$ -	\$ -
Geological Services	-	-	13,687	13,687
Survey	-	-	61,636	61,636
Travel	-	-	3,441	3,441
Exploration expenses	-	-	9,808	9,808
Balance December 31, 2020	-	-	88,572	88,572
Balance January 1, 2021	-	-	88,572	88,572
Geological Services	-	-	13,285	13,285
Survey	-	-	362	362
Travel	-	-	1,438	1,438
Exploration expenses	-	-	-	-
Balance December 31, 2021	-	-	103,657	103,657
Exploration expenses	-	-	1,388	1,388
Geological services	-	-	6,545	6,545
Balance, March 31, 2022	-	-	111,590	111,590
Total Mineral property costs at March 31, 2022	\$ 230,000	\$ 320,000	\$ 157,590	\$ 707,590

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSET (continued)

Leduc Gold Project Property

On August 17, 2020, the Company (“Optionee”) entered into a mineral property option agreement with Gravel Ridge Resources Ltd. (“Optionor”) to acquire a 100% interest, subject to a 1.5% royalty, in the mineral claims known Leduc Gold Project Property located in the Thunder Bay Mining Division of Ontario. Under the agreement, the Company is obligated to make cash payments totaling \$81,000 and issue 400,000 common shares as follows:

- a. \$12,000 on signing of this Agreement – **paid**,
- b. issue 200,000 common shares of the Optionee upon listing on a Canadian Exchange – **issued**,
- c. \$14,000 on or before August 17, 2021 – **paid**,
- d. \$20,000 on or before August 17, 2022,
- e. issue 200,000 common shares on or before October 5, 2022,
- f. final payment of \$35,000 on or before August 17, 2023.

The Company has the option to purchase 33.33%, being 0.5% of the optionor’s NSR for further cash consideration of \$500,000.

St. Robert Property

On November 15, 2021 the Company entered into two mineral property option agreements

- a. To acquire a 100% interest in the mineral claims known as the St. Robert Property in the Province of Quebec. Upon signing the agreement, the Company in full satisfaction of the terms made the follow payments
 - i. 1,000,000 common shares,
 - ii. \$15,000 cash.

- b. To acquire a 50% in an additional 106 mining claims proximal to the above claims in the Marlow and Riseborough Townships in St.-Robert-Bellarmin. This agreement requires the Company will make the following payments:
 - i. \$25,000 and issue \$150,000 worth of common shares based on the prior to January 31, 2022 – **paid**,
 - ii. \$50,000 and issue \$350,000 of common prior to May 31, 2022,
 - iii. Issue \$200,000 of common shares prior to October 3, 2022,
 - iv. \$25,000 and issue \$300,000 of common prior to March 31, 2023,
 - v. \$450,000 of common shares prior to October 31, 2023,
 - vi. \$450,000 of common prior to March 31, 2024.

Share to be issued under the agreement are to be calculated on a 10-day volume weighted average trading price.

The claims will be subject to a 2% net smelter return royalty, which the Company may reduce by 50% for cash consideration of \$1,200,000. The remaining 50% for may be purchases for an additional \$2,400,000.

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

4. EXPLORATION AND EVALUATION ASSET (continued)

Stella Property

On November 15, 2021, the Company entered into mineral property option agreement with to acquire a 100% interest two distinct groups of claims together identified as the Stella Mining Claims in the Province of Quebec. The agreement requires the Company will make the following payments to acquire the interest:

- On or before November 15, 2021, issue 1,500,000 common shares – **issued**,
- \$35,000 cash on or before November 15, 2021 – **paid**,
- No later than May 15, 2022, issue an additional 2,500,000 common shares.

The optionor is entitled to a 1% net smelter returns royalty (“NSR”) on the first group of claims, which the Company has the right to purchase 50% thereof for \$1,000,000. On May 15, 2022, the second closing date, the optionor will be entitled to a 3% NSR on the second group of claims which the Company will have the right to purchase 100% thereof for \$2,000,000.

5. SHARE CAPITAL

a) Authorized: Unlimited number of common shares without par value.

b) Escrow shares:

As at December 31, 2021, there were 3,802,500 common shares held in escrow.

c) Common shares Issued and outstanding as at March 31, 2022: 22,561,430

During the period ended March 31, 2022 the Company had the following share capital transactions:

On March 30, 2022 the Company issued 1,071,429 shares pursuant to a property purchase in Quebec as described in Note 4. The fair value of the common shares issued was \$143,873.

On October 5, 2021 the Company closed a brokered initial public offering. The company issued 3,690,000 common shares at a price \$0.10 per share for net proceeds of \$178,597.

On October 5, 2021 the Company issued 200,000 common shares pursuant to a property purchase in Ontario as described in Note 4. The fair value of the common shares issued was \$20,000.

On November 12, 2021 the Company closed a non-brokered private placement for aggregate gross proceeds of \$70,000 for the issuance of 700,000 common shares at a price of \$0.10 per share.

On November 15, 2021 the Company issued 1,500,000 common shares pursuant to a property purchase in Quebec as described in Note 4. The fair value of the common shares issued was \$195,000.

On November 15, 2021 the Company issued 1,000,000 common shares pursuant to a property purchase in Quebec as described in Note 4. The fair value of the common shares issued was \$130,000.

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

On December 31, 2021 the Company closed a brokered private placement selling 400 units to raise a total \$322,000. Each unit consisted of 4,500 flow-through common shares, 1,000 common shares, and 1,000 common share purchase warrants entitling a holder to purchase one common

share at a price of \$0.25 per common share for a period of 24 months after the purchase date. The flow-through share premium recognized upon issuance was \$18,000. There was no value allocated

to the warrants using the residual method. The Company issued a total of 2,200,000 common shares and 400,000 purchase warrants.

d) Issued and outstanding as at December 31, 2020: 12,200,001 common shares.

During the period ended December 31, 2020, the Company had the following transactions:

On July 9, 2020, the Company issued a common share for incorporation for gross proceeds of \$1.

On August 7, 2020, the Company issued 2,000,000 common shares at a price of \$0.005 per share for gross proceeds of \$10,000 to the founders. The founder shares had a fair value of \$40,000 and as a result, the Company recorded a share-based payment of \$30,000 and a corresponding increase to contributed surplus.

On September 9, 2020, the Company completed a private placement for 2,500,000 common shares at a price of \$0.02 per share for gross proceeds of \$50,000.

On October 3, 2020, the Company completed a private placement for 4,500,000 flow-through common shares at \$0.02 per share for gross proceeds of \$90,000. Under the terms of the flow-through share private placements, the Company must incur \$90,000 of Canadian Exploration Expenditures and renounce them to the shareholders of the Company. As of December 31, 2020, the Company had not made any renunciation and had incurred the \$88,572 in exploration expenditures

On October 3, 2020, the Company completed a private placement for 1,500,000 common shares at \$0.02 per share for gross proceeds of \$30,000.

On December 18, 2020, the Company completed a private placement for 1,700,000 common shares at \$0.05 per share for gross proceeds of \$85,000.

e) Stock options

During the period ended March 31, 2022, pursuant to its stock option plan the Company granted 800,000 options to certain directors and officers. The stock options will vest immediately and will expire five years from the grant date.

During the year ended December 31, 2021, the Company adopted a stock option plan for directors, officers, employees, and consultants of the Company. The plan allows for the awarding of options at the discretion of the directors, options not to exceed 15% of the total number of issued and outstanding shares on a non-diluted basis.

On April 6, 2021, the Company granted 750,000 stock options to the directors and officers. The options vested on the grant date and are exercisable at \$0.10 per share until April 6, 2026.

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

The options were valued using the Black-Scholes option pricing model assuming a life expectancy of five years, a risk-free interest rate of 0.92%, a dividend rate of Nil, and a volatility of 125%.

	Compensation Options 2021	Compensation options 2022
Exercise price per option	\$0.10	\$0.14
Expected life	5 years	5 years
Dividend yield	Nil	Nil
Expected Volatility	125%	69%
Estimated fair value per option	\$0.08	\$0.09

Information regarding the Company's stock options activity is summarized below:

	Number of Options	Weighted average exercise price \$
Balance December 31, 2020	-	-
Granted	750,000	0.1000
Balance, December 31, 2021	750,000	0.1000
Granted	800,000	0.1400
Balance, March 31, 2022	1,550,000	0.1257

The following table summarizes stock options outstanding at March 31, 2022:

Expiry Date	Exercise price \$	Number of options Outstanding
March 30, 2027	\$0.140	800,000
April 6, 2026	0.100	750,000

f) Warrants

During the period ended March 31, 2022, the Company did not issue any new warrants.

During the year ended December 31, 2021, the Company issued 369,000 finders' warrants and 400,000 warrants that were attached to units described above.

The 369,000 finders' warrants were valued at \$32,603; using the Black-Scholes option pricing model and assuming the following:

	Compensation Options
Exercise price per option	\$0.10
Expected life	5 years
Dividend yield	Nil
Expected Volatility	125%
Estimated fair value per warrant	\$0.08

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

5. Share capital (continued)

Information regarding the Company's warrant activity is summarized below:

	Number of warrants	Weighted average exercise price
		\$
Balance, December 31, 2019 and 2020	-	-
Issued	769,000	0.0178
Balance, December 31, 2021	769,000	0.0178

The following table summarizes warrants outstanding at December 31, 2021:

Expiry Date	Exer cise \$	Number of warrants Outstanding
December 31, 2023	0.2	400,000
October 5, 2026	0.10	369,000
		769,000

6. RELATED PARTY BALANCES AND 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 other 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.

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO").

Legal fees are incurred with firm controlled by a close family member of the CFO.

The Company had incurred the following key management personnel cost from related parties:

	March 31, 2022	March 31, 2021
Accounting fees	-	-
Legal fees	14,070	-
Management fees	18,000	9,000
Rent	2,250	2,250
Share-based payment	71,875	-

During the period ended March 31, 2022, the Company issued 800,000 stock options with an estimated fair value of \$71,875.

During year ended December 31, 2021 the Company issued 750,000 stock options with an estimated fair value of \$63,304 to directors and officers of the Company.

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

6. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

During the year ended December 31, 2021, the Company paid management fees of \$38,000 and rent of \$9,000 to a company controlled by the CEO and President of the Company.

As at December 31, 2021 the Company had \$7,000 in accounts payable and accrued liabilities owing to a company controlled by the CFO of the company and \$38,600 owing to a company controlled by a director of the Company.

During the period ended December 31, 2020, the Company issued 2,000,000 common shares with estimated fair value of \$40,000 (see Note 5c) to directors and officers of the Company. Accordingly, the Company recorded an amount of \$30,000 as share-based payments for the period ended December 31, 2020.

During the period ended December 31, 2020, the Company paid management fees of \$14,300 and rent of \$3,000 to the CEO and President of the Company.

During the period ended December 31, 2020, the Company entered into a mineral property option agreement with Gravel Ridge Resources Ltd. (the "Optionor") as described in Note 4. The Company and the Optionor share key management personnel.

7. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the identification, evaluation and acquisition of a Qualified Transaction. The Company does not have any externally imposed capital requirements to which it is subject.

The Company's capital structure consists of equity and share subscriptions. As at December 31, 2021, the Company had capital resources consisting of cash. 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 common shares or dispose of assets or adjust the amount of cash.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, Financial Instruments: Disclosures, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in 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 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments

The Company's financial assets include cash and are classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

Assets measured at fair value on a recurring basis were presented on the Company's statements of financial position as at March 31, 2022 were as follows:

	Carrying amount	Fair value measurement using		
		Level 1	Level 2	Level 3
Cash and cash equivalents	\$ 392,132	\$ 392,132	\$ -	\$ -

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Currency risk

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

Credit Risk

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk, the Company places these instruments with a high quality financial institution.

Interest Rate Risk

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short-term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

Liquidity risk

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

LEOPARD LAKE GOLD CORP.
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2022 AND MARCH 31, 2021
(Expressed in Canadian dollars)

9. INCOME TAXES

The following table reconciles the amount of income tax recoverable on application of the combined statutory Canadian federal and provincial income tax rates:

	2021	2020
Canadian statutory income tax rate	27%	27%
Income tax recovery at statutory rate	(64,966)	\$ (17,172)
Permanent differences	(25,514)	8,099
Change in deferred tax assets not recognized	90,480	9,073
<u>Deferred income tax recovery</u>	<u>\$ -</u>	<u>\$ -</u>

Significant components of the Company's deferred income tax assets are shown below:

	2021	2020
Non-capital loss carry forwards	90,480	\$ 9,073
<u>Deferred tax assets not recognized</u>	<u>(90,480)</u>	<u>(9,073)</u>
	-	\$ -

As at December 31, 2021, the Company had approximately \$242,000 in non-capital loss carry forward available to reduce taxable income for future year. The losses expire as follows:

<u>Year</u>	<u>\$</u>
2040	34,000
2041	208,000
	<u>\$242,000</u>

10. COMMITMENTS

During the year ended December 31, 2021, the Company closed a brokered private placement selling 400 units to raise a total \$270,000. Each unit consisted of 4,500 flow-through common shares, 1,000 common shares, and 1,000 common share purchase warrants. As a result of the private placement the Company issued 1,800,000 flow-through common shares. The flow-through share premium recognized upon issuance was \$18,000. Expenditures related to the use of flow-through share proceeds are not available as a tax deduction to the Company as the tax benefits of these expenditures are renounced to the investors. The Company is obligated to renounce \$270,000. As at March 31, 2022, the Company had not had any qualified expenditures through these funds. The Company is required to incur these expenditures before December 31, 2022 under the general rule and before December 31, 2023 under the look-back rule.

The Company is committed to certain cash payments, common share issuances and exploration expenditures as described in Note 4.