Corcel Exploration Inc.

Unaudited Condensed Interim Financial Statements

For the Nine Months ended March 31, 2022

and

The Period from July 21, 2020 (Date of Incorporation) to March 31, 2021

(Expressed in Canadian Dollars)

Notice to Reader

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 have been prepared by and are the responsibility of the management of the Company.

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

Corcel Exploration Inc.
Unaudited Condensed Interim Statements of Financial Position
(Expressed in Canadian Dollars)

	As at March 31, 2022	As at June 30, 2021
	$ (Unaudited)	$ (Audited)
Assets		
Current Assets		
Cash	**539,897**	72,115
Other receivables (Note 4)	**9,370**	957
Total Assets	**549,267**	73,072
Liabilities		
Current Liabilities		
Accounts payable and accrued liabilities (Notes 5 and 9)	**10,308**	12,176
Total Liabilities	**10,308**	12,176
Shareholders' Equity		
Share capital (Note 6)	**863,734**	233,250
Warrants reserve (Note 8)	**8,260**	-
Accumulated deficit	**(333,035)**	(172,354)
Total Shareholders' Equity	**538,959**	60,896
Total Liabilities and Shareholders' Equity	**549,267**	73,072

Nature of operations and going concern (Note 1)
Commitments (Note 10)
Contingencies (Note 14)

Approved on behalf of the Board of Directors:

"Stephen Dunn"
Stephen Dunn, Director

"Joel Freudman"
Joel Freudman, Director

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

Corcel Exploration Inc.

Unaudited Condensed Interim Statements of Loss and Comprehensive Loss
For the Nine Months ended March 31, 2022 and the Period from Incorporation to March 31, 2021
(Expressed in Canadian Dollars)

	Three Months ended March 31, 2022	Three Months ended March 31, 2021	**Nine Months ended March 31, 2022**	For Period from Incorporation to March 31, 2021
	$	$	**$**	$
Expenses				
Exploration and evaluation expenses (Note 10)	**-**	-	**4,140**	121,319
Professional fees (Notes 9 and 13)	**13,900**	3,686	**138,090**	27,158
General and administrative	**1,622**	25	**13,835**	219
Transfer agent fees	**1,561**	-	**4,616**	-
Director fees (Note 9)	**-**	-	**-**	7,500
Net Loss and Comprehensive Loss	**(17,083)**	(3,711)	**(160,681)**	(156,196)
Weighted Average Number of Outstanding Shares – Basic and Diluted (Note 7)	**21,750,000**	11,500,000	**18,038,139**	11,105,731
Net Loss per Share – Basic and Diluted (Note 7)	**(0.001)**	(0.000)	**(0.009)**	(0.014)

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

Corcel Exploration Inc.
Unaudited Condensed Interim Statements of Changes in Shareholders' Equity
For the Nine Months ended March 31, 2022 and the Period from Incorporation to March 31, 2021
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Warrants Reserve	Accumulated Deficit	Total
	#	$	$	$	$
Balance, July 21, 2020	**-**	**-**	**-**	**-**	**-**
Issuance of shares for cash (Note 6)	10,500,000	191,250	-	-	191,250
Issuance of shares for property acquisition (Note 10)	1,000,000	20,000	-	-	20,000
Net loss and comprehensive loss for the period	-	-	-	(156,196)	(156,196)
Balance, March 31, 2021	**11,500,000**	**211,250**	**-**	**(156,196)**	**55,054**
Balance, June 30, 2021	**12,600,000**	**233,250**	**-**	**(172,354)**	**60,896**
Issuance of shares for cash (Note 6)	3,400,000	170,000	-	-	170,000
Issuance of shares on Initial Public Offering (Note 6)	5,750,000	575,000	-	-	575,000
Share issuance costs (Note 6)	-	(106,256)	-	-	(106,256)
Issuance of agent's warrants (Note 8)	-	(8,260)	8,260	-	-
Net loss and comprehensive loss for the period	-	-	-	(160,681)	(160,681)
Balance, March 31, 2022	**21,750,000**	**863,734**	**8,260**	**(333,035)**	**538,959**

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

Corcel Exploration Inc.

Unaudited Condensed Interim Statements of Cash Flows
For the Nine Months ended March 31, 2022 and the Period from Incorporation to March 31, 2021
(Expressed in Canadian Dollars)

	Nine Months ended March 31, 2022	For Period from Incorporation to March 31, 2021
	$	$
Operating Activities		
Net loss for the period	**(160,681)**	(156,196)
Adjustments for non-cash items:		
Shares issued for property acquisition (Note 10)	**-**	20,000
	(160,681)	(136,196)
Net change in non-cash working capital items:		
Other receivables	**(9,370)**	(378)
Prepaid expenses and advances	**957**	-
Accounts payable and accrued liabilities	**(1,868)**	4,324
Cash Flows (used in) Operating Activities	**(170,962)**	(132,250)
Financing Activities		
Proceeds from issuance of common shares (Note 6)	**170,000**	191,250
Proceeds from issuance of common shares on IPO (Note 6)	**575,000**	-
Share issuance costs (Note 6)	**(106,256)**	-
Cash Flows provided by Financing Activities	**638,744**	191,250
Increase in cash	**467,782**	59,000
Cash, beginning of period	**72,115**	-
Cash, end of period	**539,897**	59,000

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

1. Nature of Operations and Going Concern

Corcel Exploration Inc. ("Corcel" or the "Company") was incorporated under the laws of the Province of British Columbia, Canada, by Articles of Incorporation, dated July 21, 2020. The Company was formed to engage in the business of acquiring, exploring and evaluating mineral resource properties. On December 2, 2021, the Company completed its initial public offering (the "Offering") (see Note 6 for details), and effective December 3, 2021, the Company's common shares commenced trading under the ticker symbol "CRCL" on the Canadian Securities Exchange. The address of the Company's corporate office and principal place of business is 335-1632 Dickson Avenue, Kelowna, British Columbia, V1Y 7T2, Canada.

The Company's mineral resource properties are in the exploration stage and, as a result, the Company has no source of operating cash flow. The exploration and development of the Company's mineral resource properties depend on the ability of the Company to obtain financing.

The Company's future viability depends upon the acquisition and financing of mineral exploration or other projects. If the mineral projects are to be successful, additional funds will be required for development and, if warranted, to place them into commercial production. The expected primary source of future funds presently available to the Company is through the issuance of common shares. The ability of the Company to arrange such financing will depend, in part, on prevailing market conditions as well as the business performance of the Company. These events and conditions indicate the existence of material uncertainties that cast significant doubt on the Company's ability to continue as a going concern. There can be no assurance that the Company will be successful in its efforts to arrange the necessary financing, if needed, on terms satisfactory to the Company. If additional financing is arranged through the issuance of shares, control of the Company may change, and shareholders may suffer significant dilution.

Although the Company has taken steps to verify title to the mineral resource properties in which it has an interest, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, undetected defects, unregistered claims, native land claims, and non-compliance with regulatory and environmental requirements.

The global outbreak of the novel coronavirus ("COVID-19") has had a significant impact on businesses through travel restrictions put in place, business closures, isolations/quarantine orders and supply shortages. At this time, it is unknown the extent of the impact the continued evolution of COVID-19 may have on the Company, as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease and the duration of the outbreak, including the duration of travel restrictions, business closures or disruptions and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus. While the extent of the impact remains uncertain, management anticipates that this outbreak may cause supply chain disruptions, staff shortages and increased government regulations, all of which may negatively impact the Company's business and financial condition.

These unaudited condensed interim financial statements have been prepared on a going concern basis which assumes that the Company will continue in operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. Realization values may be substantially different from carrying values as shown and the financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. Basis of Presentation

(a) Statement of Compliance

These unaudited 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"). These unaudited condensed interim financial statements have been prepared in accordance with International Accounting Standards 34 – Interim Financial Reporting.

2. Basis of Presentation (continued)

(a) Statement of Compliance (continued)

These unaudited condensed interim financial statements were reviewed, approved, and authorized for issuance by the Board of Directors (the "Board") of the Company on May 13, 2022.

(b) Basis of Measurement

These unaudited condensed interim financial statements have been prepared in accordance with IFRS, on the historical cost basis. In addition, these unaudited condensed interim financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

(c) Functional Currency

These unaudited condensed interim financial statements are presented in Canadian dollars, which is the functional currency of the Company, unless otherwise noted. The functional currency is the currency of the primary economic environment in which the Company operates.

(d) Significant Accounting Judgments and Estimates

The preparation of these unaudited condensed interim financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, revenue, and expenses. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue, and expenses. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates. Actual outcomes may differ from these estimates under different assumptions and conditions. These estimates are reviewed periodically, and adjustments are made as appropriate in the period they become known.

3. Summary of Significant Accounting Policies

The accounting policies applied by the Company in these unaudited condensed interim financial statements are the same as those noted in the Company's audited financial statements for the period from July 21, 2020 (Date of Incorporation) to June 30, 2021, unless otherwise noted below.

(a) Adoption of New Accounting Policies

The Company adopted the following amendments, effective July 1, 2021. The changes were made in accordance with the applicable transitional provisions. The Company early-adopted these amendments and had assessed that there was no material impact upon their adoption on its unaudited condensed interim financial statements:

Amendments to IAS 1 – Presentation of Financial Statements ("IAS 1")

In January 2020, the IASB issued amendments to IAS 1 which clarify the requirements for classifying liabilities as either current or non-current by: (i) specifying that the conditions which exist at the end of the reporting period determine if a right to defer settlement of a liability exists; (ii) clarifying that settlement of a liability refers to the transfer to the counterparty of cash, equity instruments, other assets or services; (iii) clarifying that classification is unaffected by management's expectation about events after the balance sheet date; and (iv) clarifying the classification requirements for debt an entity may settle by converting it into equity.

The amendments clarify existing requirements, rather than make changes to the requirements, and so are not expected to have a significant impact on an entity's financial statements. However, the clarifications may result in reclassification of some liabilities from current to non-current or vice-versa, which could impact an entity's loan covenants. Because of this impact, the IASB has provided a longer effective date to allow entities to prepare for these amendments.

(Expressed in Canadian Dollars)

3. Summary of Significant Accounting Policies (continued)

(a) Adoption of New Accounting Policies (continued)

Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets ("IAS 37")

In May 2020, the IASB issued amendments to update IAS 37. The amendments specify that in assessing whether a contract is onerous under IAS 37, the cost of fulfilling a contract includes both the incremental costs and an allocation of costs that relate directly to contract activities. The amendments also include examples of costs that do, and do not, relate directly to a contract.

Amendments to IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

In February 2021, the IASB issued *Definition of Accounting Estimates*, which amended IAS 8. The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events.

4. Other Receivables

The Company's other receivables balance represents amounts due from government taxation authorities in respect of the Goods and Services Tax/Harmonized Sales Tax. The Company anticipates full recovery of these amounts and therefore no credit loss has been recorded against these receivables, which are due in less than one year.

5. Accounts Payable and Accrued Liabilities

Accounts payable and accrued liabilities of the Company are principally comprised of amounts outstanding for trade purchases incurred in the normal course of business.

	March 31, 2022	June 30, 2021
	$	$
Accounts payable	**2,808**	8,176
Accrued liabilities	**7,500**	4,000
	10,308	12,176

The Company's standard term for trade payables is 30 to 60 days.

6. Share Capital

Authorized share capital

The Company is authorized to issue an unlimited number of common shares without par value.

Common shares issued and outstanding as at March 31, 2022 are as follows:

	March 31, 2022	June 30, 2021
	$	$
Issued: 21,750,000 common shares (June 30, 2021 – 12,600,000 common shares)	**863,734**	233,250

(Expressed in Canadian Dollars)

6. Share Capital (continued)

Share capital transactions for the nine months ended March 31, 2022

On August 6, 2021, the Company issued 3,400,000 common shares, at a price of $0.05 per common share, for gross proceeds of $170,000.

On December 2, 2021, the Company completed the Offering of 5,750,000 common shares at a price of $0.10 per common share, for gross proceeds of $575,000. In connection with the Offering, the Company granted the agent (the "Agent") 460,000 non-transferrable share purchase warrants (the "Agent's Warrants") with each Agent's Warrant exercisable into one common share of the Company at the price of $0.10 until December 2, 2023. In addition, the Company paid total issuance costs of $106,256 comprised of (i) a cash commission of $46,000, representing 8% of the gross proceeds raised in the Offering, (ii) a corporate finance fee of $35,000, and (iii) a reimbursement to the Agent for legal expenses incurred of $25,256.

Share capital transactions for the period from incorporation to March 31, 2021

On July 21, 2020, the Company issued 1,250,000 common shares, at a price of $0.005 per common share, for gross proceeds of $6,250.

On July 21, 2020, the Company issued 8,500,000 common shares, at a price of $0.02 per common share, for gross proceeds of $170,000.

On December 1, 2020, the Company issued 750,000 common shares, at a price of $0.02 per common share, for gross proceeds of $15,000.

7. Loss per Share

Basic and diluted loss per share is calculated by dividing the net loss for the period by the weighted average number of common shares outstanding during the period. For the nine months ended March 31, 2022, the basic and diluted loss per share was $0.009 (Period from incorporation to March 31, 2021 – loss of $0.014 per share). Currently, the Company's basic and diluted loss per share is the same, as warrants issued to date are anti-dilutive.

8. Warrants Reserve

In connection with the Offering which closed on December 2, 2021, the Company granted 460,000 Agent's Warrants, with each Agent's Warrant exercisable into one common share at the price of $0.10 until December 2, 2023. The grant date fair value of the Agent's Warrants issued was estimated to be $88,600 using the Black-Scholes valuation model with the following assumptions: expected volatility of 100% based on comparable companies, expected dividend yield of 0%, risk-free interest rate of 0.96% and an expected life of two years. On closing, issuance cost of $8,260 was allocated to warrants reserve.

The following table summarizes information of warrants outstanding as at March 31, 2022:

Date of expiry	Number of warrants outstanding	Exercise price	Weighted average remaining life
	#	$	Years
December 2, 2023	460,000	0.10	1.67
	460,000	**0.10**	**1.67**

(Expressed in Canadian Dollars)

9. Related Party Transactions

Key management personnel compensation

Key management includes the Company's directors and officers with authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

The remuneration of directors and other members of key management personnel during the three and nine months ended March 31, 2022 and the comparative periods were as follows:

	Three Months ended March 31, 2022	Three Months ended March 31, 2021	**Nine Months ended March 31, 2022**	For Period from Incorporation to March 31, 2021
	$	$	**$**	$
Professional fees	**9,000**	-	**21,000**	560
Director fees	**-**	-	**-**	7,500
	9,000	-	**21,000**	8,060

During the nine months ended March 31, 2022, Branson Corporate Services Ltd. ("Branson"), where the Company's Chief Financial Officer ("CFO") is employed, charged fees of $21,000 (Period from incorporation to March 31, 2021 – $nil), for CFO services provided to the Company, as well as other accounting and administrative services, which are included in professional fees. As at March 31, 2022, no balance was owed to Branson (June 30, 2021 – $2,100; included in accounts payable and accrued liabilities).

During the period from incorporation to March 31, 2021, the former CFO of the Company, charged fees of $560 for management services provided to the Company, as well as other accounting services, which are included in professional fees. As at March 31, 2022, no balance was owed to the former CFO (June 30, 2021 – $2,612; included in accounts payable and accrued liabilities).

During the period from incorporation to March 31, 2021, director fees consisted of a one-time signing bonus of $7,500 cash paid to a director upon joining the Board.

Other related party transactions

During the period from incorporation to March 31, 2021, certain officers, directors or entities controlled by them participated in the Company's issuance of common shares as described in Note 6 and subscribed for 2,250,000 shares, for total gross proceeds to the Company of $26,250.

10. Exploration and Evaluation Expenses

On August 4, 2020, the Company entered into an option agreement (the "Option Agreement") with two individual vendors to acquire a 100% interest in the Peak Mineral Property located in British Columbia (the "Peak Property") in exchange for 1,000,000 common shares of the Company with a fair value of $20,000 based on the price of the most recent private placement financing at the time.

Pursuant to the Option Agreement, the Company is required to spend $250,000 in exploration on the Peak Property:

(i) $100,000 by December 31, 2020 (completed); and
(ii) $150,000 by July 20, 2023.

A 2% royalty on net smelter returns ("NSR") from all production by the Company at the Peak Property will be payable. The Company may purchase one-half (1/2) of the NSR for $1,000,000 at any time prior to specified milestones for commercial production.

(Expressed in Canadian Dollars)

10. Exploration and Evaluation Expenses (continued)

During the three and nine months ended March 31, 2022 and the comparative periods, the Company's exploration and evaluation ("E&E") expenses are comprised of the following:

	Three Months ended March 31, 2022	Three Months ended March 31, 2021	**Nine Months ended March 31, 2022**	For Period from Incorporation to March 31, 2021
	$	$	**$**	$
Property acquisition costs	**-**	-	**-**	20,000
Airborne geophysical survey	**-**	-	**-**	101,319
Data compilation	**-**	-	**4,140**	-
	-	-	**4,140**	121,319

11. Capital Management

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern and to maintain optimal returns to shareholders and benefits for its stakeholders. While the Company does not yet have any revenues, management monitors its capital structure and makes adjustments according to market conditions to meet its objectives given the current outlook of the business and industry in general. The Board of the Company does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the management team to sustain the future development of the business.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged since the Company's most recent financial reporting period.

The Company is not subject to any externally imposed capital requirements.

12. Financial Instruments

The Company's financial instruments consist primarily of cash and accounts payable. The Company is exposed to various risks as it relates to these financial instruments. Management, under oversight of the Board, mitigates these risks by assessing and monitoring the Company's risk management processes. There have not been any changes in the nature of these risks or the process of managing these risks from the previous reporting periods.

Credit risk

Credit risk is the risk of potential loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash. Cash is held with reputable Canadian chartered banks and in trust with the Company's legal counsel, which is closely monitored by management. Management believes that the credit risk concentration with respect to financial instruments included in cash is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company manages its liquidity risk by reviewing its capital requirements on an ongoing basis. The Company's liquidity and operating results may be adversely affected if the Company's access to the capital market is hindered, whether as a result of a downturn in stock market conditions generally or related to matters specific to the Company. The Company generates cash flow primarily from its financing activities. As at March 31, 2022, the Company had a cash balance of $539,897 (June 30, 2021 – $72,115) to settle current liabilities of $10,308 (June 30, 2021 – $12,176).

(Expressed in Canadian Dollars)

12. Financial Instruments (continued)

Liquidity risk (continued)

The following table summarizes the carrying amount and the contractual maturities of both the interest and principal portion of significant financial liabilities as at March 31, 2022:

	Carrying amount	**Year 1**	**Year 2 to 3**	**Year 4 to 5**
	$	**$**	**$**	**$**
Accounts payable and accrued liabilities	10,308	10,308	-	-

The Company manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring anticipated cash flows to identify financial requirements. Where insufficient liquidity may exist, the Company may pursue various debt and equity instruments for short or long-term financing of its operations.

With the proceeds from the Offering, management believes there is sufficient capital to meet short-term business obligations, after taking into account cash flow requirements from operations and the Company's cash position as at March 31, 2022.

13. Professional Fees

During the three and nine months ended March 31, 2022 and the comparative periods, the Company's professional fees are comprised of the following:

	Three Months ended March 31, 2022	Three Months ended March 31, 2021	**Nine Months ended March 31, 2022**	For Period from Incorporation to March 31, 2021
	$	$	**$**	$
Audit and accounting expenses	**11,500**	2,000	**39,300**	8,560
General legal expenses	**-**	1,686	**8,943**	9,661
Listing and filing fees related to IPO	**2,400**	-	**89,847**	8,937
	13,900	3,686	**138,090**	27,158

14. Contingencies

The Company's E&E activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. As at the date hereof, the Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make future expenditures to comply with such laws and regulations.