Lode Metals Corp.

Condensed Consolidated Interim Financial Statements

For three months ended April 30, 2023 and 2022

(Expressed in Canadian Dollars - unaudited)

Lode Metals Corp.
Condensed Consolidated Interim Statements of Financial Position
(Expressed in Canadian Dollars)

		April 30, 2023 (unaudited)		January 31, 2023
ASSETS				
Current asset				
Cash	**$**	**13,294**	$	113,346
GST receivable		**45,386**		41,429
Prepaid expenses		**12,988**		11,790
		71,668		166,565
Exploration and evaluation asset (Notes 5 and 9)		**2,842,470**		2,809,557
TOTAL ASSETS	**$**	**2,914,138**	$	2,976,122
LIABILITIES				
Current liabilities				
Accounts payable and accrued liabilities (Notes 6 and 9)	**$**	**122,309**	$	84,977
TOTAL LIABILITIES		**122,309**		84,977
SHAREHOLDERS' EQUITY				
Share capital (Note 7)		**4,967,271**		4,967,271
Reserve (Note 8)		**300,525**		288,655
Accumulated deficit		**(2,475,967)**		(2,364,781)
TOTAL SHAREHOLDERS' EQUITY		**2,791,829**		2,891,145
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$**	**2,914,138**	$	2,976,122

Subsequent event (Note 12)

These financial statements were authorized for issue by the Board of Directors on June 28, 2023. They are signed on behalf of the Board of Directors by:

/s/ "Jon Bey"	*/s/ "Blair Jordan"*
Director	Director

Lode Metals Corp.
Condensed Consolidated Interim Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars - unaudited)

	Three Months Ended	
	April 30, 2023	**April 30, 2022**
EXPENSES (INCOME)		
Consulting fees	**$ -**	$ 57,000
Foreign exchange loss	**264**	3,186
General and administrative costs (Note 9)	**56,241**	33,366
Management fees (Note 9)	**18,000**	-
Marketing fees	**-**	14,723
Professional fees	**22,044**	34,376
Stock-based compensation (Notes 8 and 9)	**13,931**	45,268
Transfer agent, regulatory and listing fees	**2,767**	11,084
NET AND COMPREHENSIVE LOSS	**$ 113,247**	$ 199,003
Basic and diluted loss per share	**$ (0.00)**	$ (0.00)
Weighted average number of common shares outstanding	**46,569,461**	41,346,720

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

Lode Metals Corp.
Condensed Consolidated Interim Statements of Cash Flows
(Expressed in Canadian Dollars - unaudited)

	For the Three Months Ended April 30, 2023	For the Three Months Ended April 30, 2022
Cash flows provided from (used in):		
OPERATING ACTIVITIES		
Net loss	**$ (113,247)**	$ (199,003)
Non-cash items:		
Stock-based compensation	**13,931**	45,268
Foreign exchange loss	**-**	3,186
Net changes in non-cash working capital items:		
GST receivable and prepaid expenses	**(5,155)**	(6,437)
Accounts payable and accrued liabilities	**27,363**	(31,125)
Net cash flows (used in) provided from operating activities	**(77,108)**	(188,111)
INVESTING ACTIVITES		
Mineral property acquisition and exploration costs	**(22,944)**	(247,445)
Deposits	**-**	80,058
Net cash flows (used in) provided from investing activities	**(22,944)**	(167,387)
FINANCING ACTIVITIES		
Proceeds from issuance of common shares	**-**	(15,466)
Net cash flows (used in) provided from financing activities	**-**	(15,466)
Net (decrease) increase in cash	**(100,052)**	(370,944)
Cash, beginning	**113,346**	1,825,398
Cash, ending	**$ 13,294**	$ 1,454,454
Non-cash investing activity:		
Exploration and evaluation expenditures included within accounts payable	$ 63,893	$ 28,703

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

Lode Metals Corp.
Condensed Consolidated Interim Statement of Changes in Shareholders' Equity
(Expressed in Canadian Dollars - unaudited)

	Number of shares	Amount	Subscription receipts	Special warrants	Reserve	Accumulated deficit	Total
Balance at January 31, 2022	**39,425,719**	**2,482,386**	**1,264,331**	**1,236,000**	**190,891**	**(1,809,514)**	**3,364,094**
Conversion of subscription receipts (Note 7)	3,612,316	1,264,331	(1,264,331)	-	-	-	-
Conversion of special warrants (Note 7)	3,531,426	1,236,000	-	(1,236,000)	-	-	-
Share issuance costs	-	(15,446)	-	-	-	-	(15,446)
Stock-based compensation (Note 8)	-	-	-	-	45,268	-	45,268
Net and comprehensive loss for the period	-	-	-	-	-	(199,003)	(199,003)
Balance at April 30, 2022	**46,569,461**	**$ 4,967,271**	**$ -**	**$ -**	**$ 236,159**	**$ (2,008,517)**	**$ 3,194,913**
Balance at January 31, 2023	**46,569,461**	**4,967,271**	**-**	**-**	**288,655**	**(2,364,781)**	**2,891,145**
Expiration of options (Note 8)	-	-	-	-	(2,061)	2,061	-
Stock-based compensation (Note 8)	-	-	-	-	13,931	-	13,931
Net and comprehensive loss for the period	-	-	-	-	-	(113,247)	(113,247)
Balance at April 30, 2023	**46,569,461**	**$ 4,967,271**	**$ -**	**$ -**	**$ 300,525**	**$ (2,475,967)**	**$ 2,791,829**

The accompanying notes form an integral part of these condensed consolidation interim financial statements.

1. NATURE OF OPERATIONS AND GOING CONCERN

Lode Metals Corp. (the "Company" or "Lode Metals") is a gold focused Canadian exploration company. The Company's registered office is located at 885 West Georgia Street, Vancouver, BC, V6C 3E8.

On April 12, 2021, Lode Metals acquired all of the outstanding shares of 2262496 Alberta Ltd. ("226") by way of share exchange agreement (Note 4) (the "Transaction"). 226 has been identified for accounting purposes as the acquirer, and accordingly the Company is considered to be a continuation of 226, and the net assets of Lode Metals at the date of the reverse acquisition are deemed to have been acquired by 226. The Transaction provided the Company with business operations for the purposes of the listing of the Company's common shares on the Canadian Securities Exchange ("CSE"). On March 23, 2022, the Company received final receipt from the British Columbia Securities Commission of the Company's Long Form Prospectus dated March 22, 2022 and the Company's common shares were listed on the CSE under the symbol LODE.

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and settle its liabilities in the normal course of business. At April 30, 2023, the Company had cash of $13,294 and its current liabilities exceed its current assets by $50,641. The Company currently has no active business and is not generating any revenues. It has incurred losses since inception and had an accumulated deficit of $2,475,967 as at April 30, 2023. Whether and when the Company can obtain profitability and positive cash flows from operations is uncertain. These uncertainties may cast significant doubt on the ability of the Company to continue as a going concern. The Company's ability to continue its operations is dependent on its success in raising equity through share issuances, suitable debt financing and/or other financing arrangements. While the Company has been successful in raising equity in the past, there can be no guarantee that it will be able to raise sufficient funds to fund its activities and general and administrative costs in the next twelve months and in the future. These financial statements do not give effect to the required adjustments to the carrying amounts 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 PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

(b) Basis of presentation

These financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The significant accounting policies, as disclosed, have been applied consistently to all periods presented in these financial statements.

(c) Basis of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, 226 and Elkhorn Gold Exploration LLC. Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation.

(d) Presentation and functional currency

The presentation and functional currency of the Company and its subsidiaries is the Canadian dollar. All amounts in these financial statements are expressed in Canadian dollars, unless otherwise indicated.

(e) Significant accounting judgments and estimates

The preparation of financial statements in accordance with IFRS requires management to make certain critical accounting estimates and assumptions about the future and to exercise judgment in applying the Company's accounting policies. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. The impacts of changes to estimates are recognized in the period estimates

2. BASIS OF PREPARATION (continued)

are revised and in future periods affected. The critical judgments and assumptions made by management and other major sources of measurement uncertainty.

Significant accounting judgments

The critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the condensed consolidated interim financial statements are as follows:

Going concern

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

Impairment of long-lived assets

The carrying value and the recoverability of long-lived assets, including exploration and evaluation assets, are evaluated at each reporting date. Management assesses for indicators of impairment, which includes assessing whether facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Key sources of estimation uncertainty

The key assumptions management has made about the future and other major sources of estimation uncertainty at the date of the interim condensed consolidated statement of financial position that have significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial period are as follows;

Income taxes

The Company recognizes deferred tax assets for deductible temporary differences, unused tax losses and other income tax deductions only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and other income tax deductions can be utilized. In assessing the probability of realizing the income tax benefits of deductible temporary differences, unused tax losses and other income tax deductions, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities.

The likelihood that tax positions taken will be sustained upon examination by applicable tax authorities is assessed based on individual facts and circumstances of the relevant tax position evaluated in light of all available evidence.

As at April 30, 2023 and 2022, the Company has not recognized any deferred tax assets for deductible temporary differences. Changes in any of the above-mentioned estimates can materially affect the amount of income tax assets recognized. In addition, where applicable tax laws and regulations are either unclear or subject to varying interpretations, changes in these estimates can occur that materially affect the amounts of income tax assets recognized. The Company reassesses unrecognized income tax assets at the end of each reporting period.

Valuation of stock-based compensation

The Company uses the Black-Scholes Option Pricing Model for valuation of stock-based compensation. 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 and equity reserve

(Expressed in Canadian Dollars - unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies followed by the Company are set out in Note 3 to the audited financial statements for the year ended January 31, 2023 and have been consistently followed in the preparation of these condensed consolidated interim financial statements. Other accounting pronouncements with future effective dates are either not applicable or are not expected to have a material impact on the Company's financial statements.

4. REVERSE TAKEOVER TRANSACTION

On April 12, 2021, the Company closed the acquisition of 226 contemplated in the letter of intent (the "LOI") dated January 28, 2021, which constituted a reverse takeover transaction (the "Transaction") (Note 1). Pursuant to the Transaction, 226 shareholders were issued an aggregate of 17,485,714 common shares of the Company, plus 7,600,000 common shares issued in a concurrent financing, in exchange for all of the issued and outstanding shares of 226, with 226 continuing as a wholly owned subsidiary of the Company. The original shareholders of the Company retained 21,597,005 common shares.

The Transaction resulted in 226 obtaining control of the combined entity by obtaining control of governance and management decision-making processes, and the resulting authority to govern the financial and operating policies of the combined entity. The Transaction has been accounted for as a reverse acquisition transaction in accordance with IFRS 2, Share-based payments*.* The Company did not meet the definition of a business in accordance with IFRS 3, Business combinations, as such, the Transaction does not constitute a business combination.

For accounting purposes, 226 is treated as the accounting parent (legal subsidiary) and the Company as the accounting subsidiary (legal parent). The fair value of the consideration paid by 226, less the fair value of net assets of Lode Metals acquired by 226 constitutes stock-based compensation expense and has been recorded in the consolidated statement of loss and comprehensive loss.

The purchase price was allocated as follows:

Consideration		
Fair value of the Company's shares		
(21,597,005 common shares at $0.10 per share)	$	2,159,700
Net assets acquired		
Cash		733,623
Receivables		298,206
Accounts payable		(58,857)
Net assets		972,972
Stock-based compensation expense	**$**	**1,186,728**

(Expressed in Canadian Dollars - unaudited)

5. EXPLORATION AND EVALUATION ASSET

		Cracker Creek
Acquisition Costs		
Balance, January 31, 2022, and April 30, 2022	$	501,308
Additions		265,106
Balance, January 31, 2023, and April 30, 2023	$	766,414
Deferred Exploration Costs		
Balance, January 31, 2022	$	1,169,231
Consulting (Note 9)		367,872
Land maintenance		34,302
Geophysics		93,586
Other		378,152
Balance, January 31, 2023	$	2,043,143
Consulting (Note 9)		27,154
Land maintenance		646
Geophysics		1,185
Other		3,928
Balance, April 30, 2023	**$**	**2,076,056**
Total		
Balance, January 31, 2023	$	2,809,557
Balance, April 30, 2023	**$**	**2,842,470**

Cracker Creek Gold Property, Oregon, USA

On November 9, 2020, 226 entered into an Exploration and Purchase Option Agreement (the “Option Agreement”) with Cracker Creek Gold Corporation (“Cracker Creek”) whereby 226 has the option (the “Option”) to acquire an undivided 100% legal and beneficial right, title and interest in and to the Cracker Creek Gold Property (the “Property”) located in Bourne, Oregon, USA for a total purchase price of US$3,000,000 (the “Purchase Price”).

To maintain the Option Agreement in good standing, 226 must:

i) Pay US$100,000 in cash upon signing (paid $131,503 during the period ended January 31, 2021); and
ii) Pay US$60,000 every six months after the signing date until the date that 226 exercises the Option as provided under the Option Agreement or until the date that the Option Agreement is terminated according to its terms (($159,516 paid during the year ended January 31, 2023; $149,017 paid during the year ended January 31, 2022). On May 26, 2023, the Company paid US$60,000.

If the Option Agreement has been maintained in good standing, 226 may exercise its option to purchase the Property at any time after the signing date as follows:

i) On or before May 1, 2024, deliver notice to Cracker Creek of 226’s decision to exercise the Option (the “Exercise Notice”);
ii) Concurrently with 226’s delivery of the Exercise Notice to Cracker Creek, pay Cracker Creek by wire transfer US$300,000 immediately as a deposit towards the Purchase Price; and
iii) Perform certain closing requirements including payment in full of the remaining balance of the Purchase Price.

The Property is subject to a 2.5% net smelter returns (“NSR”) royalty held by Cracker Creek.

On November 21, 2020, 226 entered into a Services Agreement (the “Services Agreement”) with Minefinders LLC (“Minefinders”) for services provided by Minefinders related to the signing of the Option Agreement with Cracker Creek. As consideration for services rendered, 226 has agreed to make certain payments to Minefinders and to grant to Minefinders a 0.5% NSR royalty (the “Minefinders NSR”) at the commencement of commercial production at the Property. 226 shall have the option (the “Royalty Option”) to purchase the Minefinders NSR at any time within two years of signing the Services Agreement for US$500,000.

(Expressed in Canadian Dollars - unaudited)

5. EXPLORATION AND EVALUATION ASSET (continued)

The payments for services rendered shall be made by 226 as follows:

i) US$40,000 in cash upon signing (paid $68,797 during the period ended January 31, 2021);

ii) US$40,000 every six months after the signing date until the earlier of (i) the date that 226 exercises its Option as provided under the Option Agreement, (ii) the date that the Option Agreement is terminated according to its terms and (iii) May 1, 2024 (paid $53,288 during the period ended January 31, 2021, $98,703 during the year ended January 31, 2022, $105,590 paid during the year ended January 31, 2023 and $Nil paid during the three months ended April 30 ,2023);

iii) Unless the Royalty Option has been exercised by 226, US$500,000 on the date that commercial production is achieved; and

iv) Unless the Royalty Option has been exercised by 226, US$500,000 on the date that is 12 months from the date that commercial production is achieved.

6. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

The Company's accounts payable and accrued liabilities are composed of the following:

		April 30, 2023		January 31, 2023
Accounts payable	$	95,436	$	57,154
Accrued liabilities		26,873		27,823
Total	**$**	**122,309**	**$**	**84,977**

7. SHARE CAPITAL

a) Authorized

Unlimited number of common shares without par value.

b) Issued

There were no shares issued during the three months ended April 30, 2023.

<u>Three months ended April 30, 2022:</u>

On March 29, 2022, the Company converted subscription receipts and special warrants previously subscribed for into common shares, which resulted in the issuance of 7,143,742 common shares, concurrent with final receipt from the British Columbia Securities Commission of the Company's Long Form Prospectus, and the Company's common shares were listed on the CSE. The Company incurred share issuance costs of $15,446 in connection with the conversion.

8. RESERVE

During the three months ended April 30, 2023, the Company recognized stock-based compensation of $13,931 (2022 - $45,628) related to the vesting of previously granted options.

A continuity schedule of the Company's outstanding stock options for the three months ended April 30, 2023 and 2022 are as follows:

	April 30, 2023			April 30, 2022		
	Number outstanding		Weighted average exercise price	Number outstanding		Weighted average exercise price
Outstanding, beginning of year	**3,822,500**	$	0.15	**3,832,500**	$	0.15
Granted	-		-	-		-
Expired	(30,000)		0.15	-		0.15
Outstanding, end of period/year	3,792,500	$	0.15	3,832,500	$	0.15
Exercisable, end of period/year	3,792,500	$	0.15	2,391,250	$	0.15

(Expressed in Canadian Dollars - unaudited)

8. RESERVE (continued)

At April 30, 2023, the Company had outstanding stock options exercisable to acquire common shares of the Company as follows:

Expiry date	Options outstanding	Options exercisable	Exercise price	Weighted average remaining contractual life (in years)
April 30, 2026	2,842,500	2,842,500	$ 0. 15	3.00
May 12, 2026	750,000	750,000	$ 0. 15	3.04
August 30, 2021	200,000	200,000	$ 0. 15	3.34
	3,792,500	3,792,500	$ 0. 15	3.03

9. RELATED PARTY TRANSACTIONS

The Company's related parties consist of its key management personnel, including its directors and officers.

During the three months ended April 30, 2023, the Company incurred total consulting fees of $28,329 to the COO (2022 - $43,096). The amount was capitalized in exploration and evaluation assets as it relates to project management on the property (Note 5).

During the three months ended April 30, 2023, the Company incurred fees of $18,000 to the CEO (2022 - $Nil) and $12,000 to the CFO (2022 - $Nil).

As at April 30, 2023, the Company had $14,963 (2022 - $Nil) payable to the COO and $6,300 (2022 - $Nil) to the CFO, which has been included in accounts payable.

As at April 30, 2023, the Company had $9,000 (2022 - $Nil) advanced to the CEO, which has been included in prepaid expenses.

During the three months ended April 30, 2023, the Company recognized stock-based compensation expense related to options granted to directors and officers of $7,630 (2022 - $22,611).

10. FINANCIAL INSTRUMENTS

a) Categories of financial instruments and fair value measurements

The Company's financial assets and liabilities are classified as follows:

	April 30, 2023	January 31, 2023
Financial assets:		
Fair value through profit and loss		
Cash and cash equivalents	$ 13,294	$ 113,346
Financial liabilities:		
Amortized cost		
Accounts payable	$ 95,436	$ 57,154

The fair values of the Company's accounts payable and loans payable approximate their carrying amounts due to the short-term nature of these instruments.

b) Management of financial risks

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. At April 30, 2023, the Company was exposed to credit risk on its cash.

10. FINANCIAL INSTRUMENTS (continued)

The Company's cash is held with a high credit quality financial institution as at April 30, 2023, management considers its exposure to credit risk to be low.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with its financial liabilities. The Company manages liquidity risk by maintaining adequate cash and managing its capital and expenditures.

At April 30, 2023, the Company had cash of $13,294 (January 31, 2023 – $113,346) respectively, and current liabilities of $122,309 (January 31, 2023 – $84,977) with contractual maturities of less than one year. The Company did not have sufficient cash to meet its current liabilities at April 30, 2023, therefore the Company assessed its liquidity risk as high as at April 30, 2023.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's financial assets and financial liabilities are not exposed to interest rate risk due to their short-term nature and maturity. The Company is not exposed to interest rate risk at April 30, 2023.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company is exposed to foreign currency risk to the extent that it has monetary assets and liabilities denominated in foreign currencies. As at April 30, 2023, management considers its exposure to foreign currency risk to be low.

11. CAPITAL MANAGEMENT

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity composed of issued share capital. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances. The Company is not subject to externally imposed capital requirements.

12. SUBSEQUENT EVENT

On May 9, 2023, the Company entered into a definitive assignment and assumption agreement (the "Definitive Agreement) with Angold Resources Ltd. ("Angold") and two of its wholly-owned subsidiary companies (collectively, the "Subsidiaries'). Pursuant to the terms of the Definitive Agreement, the Subsidiaries have assigned (the "Assignment") to Elkhorn Gold Exploration LLC, a wholly-owned subsidiary of the Company, all rights to the contractual arrangements (collectively, the "Option Agreements') pursuant to which the Subsidiaries hold the rights to acquire the Iron Butte Project, located in Lander County, Nevada and the Hope Butte Project, located in Malheur County, Oregon. In consideration for the Assignment, the Company has issued 10,000,000 common shares (the "Consideration Shares") to Angold, and has assumed all obligations of the Subsidiaries with respect to the Option Agreements. The Consideration Shares are subject to an escrow arrangement until May 18, 2024, during which time they may not be traded.

On May 9, 2023, The Company approved a new long-term incentive plan (the "Incentive Plan") which replaces the existing stock option plan of the Company and allows for the grant of incentive stock options and restricted share units ("RSUs"). Pursuant to the terms of the Incentive Plan, the Company has granted a total of 850,000 incentive stock options (the "Options") and 1,000,000 RSUs to certain directors, officers and consultants of the Company. The Options vest immediately and are exercisable at a price of $0.06 until May 10, 2028. The RSUs vest and will be settled in an equivalent number of common shares of the Company on September 11, 2023.

On May 25, 2023, the Company entered into a promissory note loan agreement with TY & Sons Investments Inc. ("TY & Sons"), where an advance of $100,000 was made upon the execution of the promissory note. Any further advances are to be made by mutual agreement between the Company and TY & Sons. The initial advances and all subsequent advances shall be due and payable on demand. The unpaid principal amount of the note shall accrue interest at a rate of ten percent (10%) annually.