VR RESOURCES LTD.

CONSOLIDATED FINANCIAL STATEMENTS

March 31, 2023 and 2022

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
VR Resources Ltd.

Opinion

We have audited the accompanying consolidated financial statements of VR Resources Ltd. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2023 and 2022, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in shareholders' equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2023 and 2022, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company has working capital of $686,836 and an accumulated deficit of $14,182,248, and the Company expects to incur further losses in the development of its business. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our auditor's report.

Assessment of Impairment Indicators of Exploration and Evaluation Assets ("E&E Assets")

As described in Note 6 to the consolidated financial statements, the carrying amount of the Company's E&E Assets was $10,313,757 as of March 31, 2023. As more fully described in Note 2 to the consolidated financial statements, management assesses E&E Assets for indicators of impairment at each reporting period.

The principal considerations for our determination that the assessment of impairment indicators of the E&E Assets is a key audit matter are that there was judgment made by management when assessing whether there were indicators of impairment for the E&E Assets, specifically relating to the assets' carrying amount which is impacted by the Company's intent and ability to continue to explore and evaluate these assets. This in turn led to a high degree of auditor judgment, subjectivity, and effort in performing procedures to evaluate audit evidence relating to the judgments made by management in their assessment of indicators of impairment that could give rise to the requirement to prepare an estimate of the recoverable amount of the E&E Assets.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. Our audit procedures included, among others:

- Obtaining an understanding of the key controls associated with evaluating the E&E Assets for indicators of impairment.
- Evaluating management's assessment of impairment indicators.
- Evaluating the intent for the E&E Assets through discussion and communication with management.
- Obtaining confirmation of title to ensure mineral rights underlying the E&E Assets are in good standing.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Zachary Faure.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

June 16, 2023

VR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at March 31,
(Expressed in Canadian Dollars)

	2023	2022
ASSETS		
Current		
Cash (Note 3)	$ 744,191	$ 1,968,469
Receivables (Note 4)	25,263	8,730
Prepaid expenses	28,338	65,364
	797,792	2,042,563
Equipment (Note 5)	1,585	2,264
Exploration and evaluation assets (Note 6)	10,313,757	9,146,463
Reclamation bond (Note 7)	80,766	55,357
	$ 11,193,900	$ 11,246,647
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 8 and 11)	$ 110,956	$ 109,552
Flow-through premium liability (Note 9)	-	208,758
	110,956	318,310
Shareholders' equity		
Share capital (Note 9)	21,963,227	20,161,916
Reserves (Note 9)	2,660,596	2,407,994
Deficit	(14,182,248)	(11,781,303)
Accumulated other comprehensive income	641,369	139,730
	11,082,944	10,928,337
	$ 11,193,900	$ 11,246,647

Nature of operations and going concern (Note 1)
Subsequent events (Note 16)

On behalf of the Board
on June 16, 2023

"Michael Gunning" Director *"Craig Lindsay"* Director

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

VR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED MARCH 31,
(Expressed in Canadian Dollars)

	2023	2022
EXPENSES		
Consulting fees (Note 11)	$ 31,263	$ 24,000
Depreciation (Note 5)	679	970
Foreign exchange	(6,385)	12,552
Investor relations and promotion	185,902	119,414
Office	88,560	58,231
Professional fees	106,525	41,066
Rent	24,000	24,000
Salaries (Note 11)	256,712	277,932
Share-based payments (Notes 9 and 11)	136,211	426,574
Regulatory and transfer agent	41,470	46,619
	(864,937)	(1,031,358)
OTHER		
Interest income	4,470	7,669
Other income – flow-through (Note 9)	418,758	123,322
Impairment of exploration and evaluation assets (Note 6)	(1,959,236)	(1,712,193)
Loss for the year	(2,400,945)	(2,612,560)
Other comprehensive loss to be reclassified to profit or loss in subsequent years:		
Translation adjustment	501,639	(32,515)
Loss and comprehensive loss for the year	$ (1,899,306)	$ (2,645,075)
Loss per common share		
-Basic and diluted	$ (0.03)	$ (0.03)
Weighted average number of common shares outstanding		
-Basic and diluted	91,040,776	81,126,475

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

VR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31,
(Expressed in Canadian Dollars)

	2023	2022
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss for the year	$ (2,400,945)	$ (2,612,560)
Items not affecting cash:		
Share-based payments	136,211	426,574
Depreciation	679	970
Flow-through premium liability	(418,758)	(123,322)
Impairment of exploration and evaluation assets	1,959,236	1,712,193
Foreign exchange on reclamation bond	(4,594)	-
Changes in non-cash working capital items:		
Receivables	(16,533)	27,681
Prepaid expenses	37,026	(38,195)
Accounts payable and accrued liabilities	68,262	(70,643)
Net cash used in operating activities	(639,416)	(677,302)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Net proceeds from the issuance of shares	2,127,702	2,253,281
Net cash provided by financing activities	2,127,702	2,253,281
CASH FLOWS USED IN INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(2,722,235)	(2,483,901)
Reclamation bond	9,671	(55,357)
Net cash used in investing activities	(2,712,564)	(2,539,258)
Change in cash during the year	(1,224,278)	(963,279)
Cash, beginning of year	1,968,469	2,931,748
Cash, end of year	$ 744,191	$ 1,968,469
Cash paid during the year for:		
Income taxes	$ -	$ -
Interest	$ -	$ -

Supplemental disclosure with respect to cash flows (Note 10)

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

VR RESOURCES LTD.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Share capital					
	Number of Shares	Amount	Reserves	Deficit	Accumulated Other Comprehensive Income	Total
Balance as at March 31, 2021	77,377,941	$ 18,248,469	$ 1,955,666	$ (9,168,743)	$ 172,245	$ 11,207,637
Private placement	5,250,626	2,000,000	-	-	-	2,000,000
Flow-through premium	-	(332,080)	-	-	-	(332,080)
Share issue cost - private placement	-	(104,900)	-	-	-	(104,900)
Finders fees - warants issued	-	(20,972)	20,972	-	-	-
Warrants exercised	1,023,375	358,181	-	-	-	358,181
Property acquistion	50,000	18,000	-	-	-	18,000
Share-based payments	-	-	426,574	-	-	426,574
Reclassification or reserves on exercise of warrants	-	9,504	(9,504)	-	-	-
Residual value of warrants	-	(14,286)	14,286	-	-	-
Loss and comprehensive loss	-	-	-	(2,612,560)	(32,515)	(2,645,075)
Balance as at March 31, 2022	83,701,942	20,161,916	2,407,994	(11,781,303)	139,730	10,928,337
Private Placements	13,468,917	2,256,060	-	-	-	2,256,060
Flow-through premium	-	(210,000)	-	-	-	(210,000)
Share issue cost - private placements	-	(128,358)	-	-	-	(128,358)
Share-based payments	-	-	136,211	-	-	136,211
Residual value of warrants	-	(116,391)	116,391	-	-	-
Loss and comprehensive loss	-	-	-	(2,400,945)	501,639	(1,899,306)
Balance as at March 31, 2023	97,170,859	$ 21,963,227	$ 2,660,596	$ (14,182,248)	$ 641,369	$ 11,082,944

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

1. NATURE OF OPERATIONS AND GOING CONCERN

VR Resources Ltd. (the "Company") was incorporated on May 7, 2015, by Certificate of Incorporation issued pursuant to the provisions of the *Business Corporations Act* (Alberta) and continued in British Columbia. The Company's head office address is at 1500 – 409 Granville Street, Vancouver, BC, V6C 1G8. The Company's registered and records office address is at 550 Burrard Street, Suite 2300, Vancouver, BC, V6E 2B5. To date, the Company has not earned operating revenue.

As at March 31, 2023, the Company has a working capital of $686,836 and an accumulated deficit of $14,182,248. The Company expects to incur further losses in the development of its business. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

The Company is in the process of exploring its own mineral exploration properties and evaluating new properties for potential acquisition. The Company has not yet determined whether its properties contain reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These consolidated financial statements have been prepared based on accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal courses of business rather than through a process of forced liquidation. These consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded asset and amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. Since the declaration, the COVID-19 pandemic has adversely affected workforces, economics, and financial markets globally. The spread of COVID-19 resulted in temporary travel restrictions to USA and in Canada, which made work more challenging, however disruptions were minimal to the Company's business.

The extent to which COVID-19 may impact the Company's business and operations will depend on future developments that are highly uncertain and cannot be accurately estimated at this time, including new information which may emerge concerning the severity of and the actions required to contain COVID-19 or remedy its impact.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis except for certain financial instruments measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Basis of consolidation

These consolidated financial statements represent the results of the Company and its wholly owned subsidiaries. Amounts are reported in Canadian dollars, unless otherwise indicated.

Subsidiary	Location	Ownership Interest
Renntiger Resources Ltd. ("Renntiger")	Canada	100%
Renntiger Resources USA Ltd ("Renntiger USA")	USA	100%

Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All intercompany transactions and balances have been eliminated.

The reporting currency of the Company is Canadian dollars. The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and Renntiger is the Canadian dollars ("CAD"), while the functional currency of Renntiger USA is the United States dollars ("USD"). The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates ("IAS 21").*

Foreign currency transactions

Translation of foreign transactions and balances into the functional currency

Foreign currency transactions are translated into the functional currency of the Company at rates of exchange prevailing on the dates of the transactions. At each financial position reporting date, all monetary assets and liabilities that are denominated in foreign currencies are translated to the functional currency of the Company at the rates prevailing at the statement of financial position date. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in profit or loss.

Translation of the functional currency into the presentation currency

The results of foreign operations which have a different functional currency than the Company are translated to Canadian dollars at appropriate average rates of exchange during the period. The assets and liabilities of foreign operations are translated to Canadian dollars at rates of exchange in effect at the end of the period. Gains or losses arising on translation of foreign operations to Canadian dollars at period end are recognized in accumulated other comprehensive income as a translation adjustment.

Cash and cash equivalents

Cash and cash equivalents consist of cash on deposit with banks and redeemable investment-grade short-term deposit certificates readily convertible into cash, and/or have maturities of three months or less from acquisition. For the years presented, the Company has no cash equivalents.

Exploration and evaluation assets

Exploration and evaluation assets include the costs of acquiring licenses, and costs associated with exploration and evaluation activity. All costs related to the acquisition, exploration and development of exploration and evaluation assets are capitalized by property as an intangible asset. Costs incurred before the Company has obtained the legal rights to explore an area are expensed through profit or loss. Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability or (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to development assets within property and equipment.

Recoverability of the carrying amount of the exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, the sale of the respective areas of interest.

Decommissioning and Restoration Provisions

Decommissioning and restoration provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Decommissioning and restoration provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized in profit or loss.

Decommissioning and restoration provisions are recognized at the present value of management's best estimate of fair value of the expenditures required to settle the present obligation at the reporting date. Subsequent to initial measurement, the obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. The increase in the provision due to the passage of time is recognized as accretion whereas increases/decreases due to changes in the estimated future cash flows are added to or deducted from the related asset. Actual costs incurred upon settlement of decommissioning and restoration provisions are charged against the provision to the extent the provisions were established.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably. Changes in reclamation estimates are accounted for prospectively as a change in the corresponding capitalized cost.

The Company did not have any decommissioning and restoration provisions for the years presented.

Impairment of long-lived assets

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 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 the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate and 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 cash generating unit) in prior periods. A reversal of an impairment loss is recognized immediately in profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Equipment

Equipment is stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recorded over the estimated useful lives of the assets on a declining balance basis:

Computer equipment	30%

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss. The assets' residual values, depreciation methods and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Share capital

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares and other equity instruments are recognized as a deduction 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 warrants attached to 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 and the common shares are valued at their fair value, as determined by the closing market price on the issuance date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program on its Canadian assets. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Where the flow-through common share is issued as part of a unit, the value is first allocated between the unit and the flow-through premium, and then bifurcated between the common share and the warrant on a residual value basis.

As qualified flow-through expenses are incurred the Company relieves the liability and recognizes the premium in profit or loss as other income.

The Company may also be subject to a Part XII.6 tax on flow-through proceeds, renounced under the look-back rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether the contract involves the use of an identified asset, whether the Company has the right to obtain substantially all the economic benefits from use of the asset during the term of the arrangement and if the Company has the right to direct the use of the asset. At inception or on assessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

As a lessee, the Company recognizes a right-of-use asset, which is included in property, plant and equipment, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received.

The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in the Company's estimate or assessment of the expected amount payable under a residual value guarantee, purchase, and extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit or loss.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit or loss on a straight-line basis over the lease term. Total amounts expensed during the year ended March 31, 2023 related to short-term leases are $24,000 (2022 - $24,000).

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial instruments

Financial assets are classified according to their contractual cash flow characteristics and the business models under which they are held. On initial recognition, a financial asset is classified as: amortized cost, fair value through profit and loss ("FVPL"), or fair value through other comprehensive income ("FVOCI").

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVPL:

- it is held with the objective of collecting contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

All financial assets not classified as amortized cost or FVOCI are classified as and measured at FVPL. This includes all derivative assets. On initial recognition, a financial asset that otherwise meets the requirements to be measured at amortized cost or FVOCI may be irrevocably designated as FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial instruments are measured on initial recognition at fair value, plus, in the case of financial instruments other than those classified as FVPL, directly attributable transaction costs. Measurement of financial assets in subsequent periods depends on whether the financial asset has been classified as amortized cost, FVPL or FVOCI. Measurement of financial liabilities subsequent to initial recognition depends on whether they are classified as amortized cost or FVPL. Financial assets and financial liabilities classified as amortized cost are measured subsequent to initial recognition using the effective interest method. For assets and liabilities measured at fair value, gains and losses will either be recorded in profit or loss or OCI.

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the 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 asset, discounted at the financial asset's 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 financial 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.

The Company has classified and measured its financial instruments as described below:

- Cash is classified as FVPL.

- Receivables are classified as and measured at amortized cost.

- Reclamation bond is classified as and measured at amortized cost.

- Accounts payable and accrued liabilities are classified as and measured at amortized cost.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share-based payments

The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in reserves. The fair value is measured at grant date and each tranche is recognized on a graded-vesting basis over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model considering the terms and conditions upon which the options were granted. The Company annually revises its estimates of the number of options that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to reserves.

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at fair value of the share-based payment. Otherwise, share-based payments are measured at the fair value of goods and services received.

Income taxes

Current tax is the expected tax payable or receivable on the local taxable income or loss for the year, using local tax rates enacted or substantively enacted at the financial position reporting date, and includes any adjustments to tax payable or receivable in respect of previous years.

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the financial position reporting date. Deferred tax is not recognized for temporary differences which arise on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting, nor taxable profit or loss.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

Critical accounting estimates and judgments

The preparation of these consolidated financial statements requires management to make certain estimates, judgments and assumptions that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made.

The information about significant areas of judgment considered by management in preparing these consolidated financial statements is as follows:

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Critical accounting estimates and judgments (cont'd…)

Going concern

The preparation of these consolidated financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1.

The information about significant areas of estimation uncertainty considered by management in preparing these consolidated financial statements is as follows:

Income taxes

The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected.

To the extent that any of management's assumptions change, there could be a significant impact on the Company's future financial position, profit or loss and cash flows.

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and these assets have been accounted for under the assumption that the carrying value will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete development, and upon future profitable production or proceeds from the disposition of the exploration and evaluation assets themselves.

Share-based payments

Estimating the fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them.

New accounting policies and amendments

Effective for annual periods beginning on or after January 1, 2024

Amendment to IAS 1: *Presentation of Financial Statements*

Amendments to IAS 1 clarify the requirements for classifying liabilities as current or non-current. The amendments provide a more general approach to the classification of liabilities based on the contractual arrangements in place at the reporting date.

(Expressed in Canadian Dollars)

3. CASH

The Company's cash consists of the following:

	March 31, 2023	March 31, 2022
Cash	$ 744,191	$ 1,968,469
Total	$ 744,191	$ 1,968,469

4. RECEIVABLES

Receivables consist of GST receivable of $25,263 (2022 - $8,730) and the receivables are current. The Company does not have any allowance for doubtful accounts as at March 31, 2023 and 2022. Due to their short-term maturities, the fair value of receivables approximates their carrying value.

5. EQUIPMENT

	Computer Equipment
Cost:	
Balance at March 31, 2021, 2022 and 2023	$ 11,020
Accumulated Depreciation:	
Balance at March 31, 2021	$ 7,786
Depreciation	970
Balance at March 31, 2022	$ 8,756
Depreciation	679
Balance at March 31, 2023	$ 9,435
Net Book Value:	
Balance at March 31, 2022	$ 2,264
Balance at March 31, 2023	$ 1,585

6. EXPLORATION AND EVALUATION ASSETS

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many exploration and evaluation assets. The Company has investigated title to all its exploration and evaluation assets and, to the best of its knowledge, title to all of its properties are in good standing.

a) Bonita – Nevada, USA

The Company acquired the Bonita copper-gold property in Humboldt County, Nevada, USA, through staking. Upon initiation of a diamond drill program within the area of interest surrounding the original property (completed during the year ended March 31, 2018), the Company met its obligation to issue an additional 450,000 common shares to the original finder, which were issued with a fair value of $148,500.

The Company has a 100% interest in the claims, free and clear of any interests or royalties.

6. EXPLORATION AND EVALUATION ASSETS (cont'd…)

b) Big Ten Project – Nevada, USA

The principal properties comprising the Big Ten project are Danbo, Amsel and Clipper and are summarized below.

Danbo Property

The Company owns a 100% interest in certain unpatented mining claims located in Nye County, Nevada, USA. The property is also subject to a 3% net smelter returns royalty and the Company has the right to purchase one-half of the royalty for US $3,000,000.

Amsel Property

The Company owns a 100% interest in the Amsel property located in Nye County, Nevada, USA. As consideration, the Company paid US$60,000 in cash and issued 100,000 common shares with a fair value of $37,750. The vendor has been granted a 2% net smelter returns royalty and the Company has the right to buy back up to one-half of the royalty for US$500,000 per half a percent.

Clipper Property

The Company acquired the Clipper property by staking and is located near the Danbo property.

c) Ranoke Property, Ontario, Canada

The Company acquired the Ranoke property directly by staking in April 2019. The property is owned 100% by the Company, free and clear of any interests or royalties. The claims are in good standing through April 2025.

During the year ended March 31, 2022, the Company determined that the carrying value of its interest in the Ranoke property was impaired because no additional expenditures, at this time, are planned for the property. The Company accordingly wrote off acquisition and exploration expenditures on the property of $1,701,735 as impairment of exploration and evaluation assets.

d) Hecla-Kilmer Property, Ontario, Canada

The Company owns a 100% interest in the Hecla-Kilmer property located in Ontario, Canada. As consideration, the Company paid $65,000 in cash and issued 175,000 common shares with a fair valued of $55,875. The vendor has been granted a 3% net smelter returns royalty and the Company has the right to buy back 1.5% of the royalty for $500,000 for each 0.5% for a maximum cost of $1,500,000.

e) Reveille Property, Nevada, USA

The Company owns a 100% interest in the Reveille property located in Nevada, USA. As consideration, the Company paid US$70,000 in cash and issued 200,000 common shares with a fair value of $70,000. The vendor has been granted a 3% net smelter returns royalty and the Company has the right to buy back 1.5% of the royalty for US$500,000 for each 0.5% for a maximum cost of US$1,500,000.

During the year ended March 31, 2023, the Company determined that the carrying value of its interest in the Reveille property was impaired because no additional expenditures, at this time, are planned for the property. The Company accordingly wrote off acquisition and exploration expenditures on the property of $1,953,750 as impairment of exploration and evaluation assets.

6. EXPLORATION AND EVALUATION ASSETS (cont'd…)

f) New Boston, Nevada, USA

The Company acquired a 100% interest in the New Boston copper-molybdenum property located in Mineral County, Nevada, USA, in September 2017. To acquire the New Boston property, the Company paid $12,835 (US$10,000) and will issue 100,000 common shares, in two stages, upon completion of a drill program on the property. 50,000 shares issued in 2018 with a fair value of $16,250. In 2020 the Company determined that the carrying value of its interest in the New Boston property was impaired because no additional expenditures, at this time, were planned for the property. The Company started capitalizing costs in 2023.

g) Forsyth, Saskatchewan, Canada

During the year ended March 31, 2023, the Company entered into an option agreement to acquire a 100% interest in the Forsyth property located in northern Saskatchewan. To acquire the Forsyth property, the Company will pay $5,000 (paid) and complete a drill program of at least three drill holes by August 12, 2025, (earn-in date). The vendor has been granted a 2% net smelter returns royalty and the Company has the right to buy back within 2 years of the earn-in date 1.0% of the royalty for $2,000,000 for each 0.5% for a maximum cost of $4,000,000.

h) Northway, Ontario, Canada

During the year ended March 31, 2023, the Company acquired a 100% interest in the Northway property located in Ontario, Canada by staking.

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd…)

	Junction	New Boston	Northway	Forsyth	Hecla-Kilmer	Bonita	Big Ten	Reveille	Total
Acquisition costs									
Balance, March 31, 2022	$ -	$ -	$ -	$ -	$ 132,525	$ 1,458,913	$ 245,297	$ 312,052	$ 2,148,787
Staking fees	-	24,287	12,300	-	-	-	38,865	-	75,452
Reclamation bond recovered	-	-	-	-	-	-	-	(9,671)	(9,671)
Reclamation bond reclassified	-	-	-	-	-	-	-	(20,815)	(20,815)
Cash	-	-	-	5,000	-	-	-	-	5,000
Land administration	5,486	16,762	-	-	-	9,907	21,666	10,635	64,456
Translation adjustment	-	954	-	-	-	56,696	18,641	12,522	88,813
	5,486	42,003	12,300	5,000	-	66,603	79,172	(7,329)	203,235
Impairment	(5,486)	-	-	-	-	-	-	(304,723)	(310,209)
Balance, March 31, 2023	$ -	$ 42,003	$ 12,300	$ 5,000	$ 132,525	$ 1,525,516	$ 324,469	$ -	$ 2,041,813
Deferred exploration costs									
Balance, March 31, 2022	$ -	$ -	$ -	$ -	$ 2,078,522	$ 2,636,659	$ 781,540	$ 1,500,955	$ 6,997,676
Consulting	-	-	-	7,500	-	-	-	-	7,500
Drilling	-	-	-	-	1,432,336	-	45,713	7,198	1,485,247
Field	-	6,078	-	-	446,022	-	7,196	2,291	461,587
Geochemistry	-	-	-	-	361,803	-	67,475	2,412	431,690
Geological	-	22,747	15,000	-	239,212	1,926	24,430	11,078	314,393
Geophysical	-	-	-	-	10,050	-	-	-	10,050
Government grant	-	-	-	-	(200,000)	-	-	-	(200,000)
Translation adjustment	-	670	-	-	-	218,841	68,224	125,093	412,828
	-	29,495	15,000	7,500	2,289,423	220,767	213,038	148,072	2,923,295
Impairment	-	-	-	-	-	-	-	(1,649,027)	(1,649,027)
Balance, March 31, 2023	$ -	$ 29,495	$ 15,000	$ 7,500	$ 4,367,945	$ 2,857,426	$ 994,578	$ -	$ 8,271,944
Balance, March 31, 2023	**$ -**	**$ 71,498**	**$ 27,300**	**$ 12,500**	**$ 4,500,470**	**$ 4,382,942**	**$ 1,319,047**	**$ -**	**$ 10,313,757**

(Expressed in Canadian Dollars)

6. EXPLORATION AND EVALUATION ASSETS (cont'd…)

	Junction / New Boston	Ranoke	Hecla-Kilmer	Bonita	Big Ten	Reveille	Total
Acquisition costs							
Balance, March 31, 2021	$ -	$ 14,750	$ 132,525	$ 1,444,669	$ 131,984	$ 204,910	$ 1,928,838
Cash payment	-	-	-	-	62,645	-	62,645
Shares issued	-	-	-	-	18,000	-	18,000
Staking fees	10,458	-	-	18,478	-	107,698	136,634
Land administration	-	-	-	-	33,627	-	33,627
Translation adjustment	-	-	-	(4,234)	(959)	(556)	(5,749)
		-	-	14,244	113,313	107,142	234,699
Impairment	(10,458)	(14,750)	-	-	-	-	(25,208)
Balance, March 31, 2022	$ -	$ -	$ 132,525	$ 1,458,913	$ 245,297	$ 312,052	$ 2,148,787
Deferred exploration costs							
Balance, March 31, 2021	$ -	$ 1,686,985	$ 1,014,235	$ 2,653,328	$ 469,353	$ 645,503	$ 6,469,404
Drilling	-	-	615,304	-	230,896	385,946	1,232,146
Field	-	-	206,556	-	28,169	23,822	258,547
Geochemistry	-	-	187,272	-	-	253,376	440,648
Geological	-	-	172,531	-	46,068	141,008	359,607
Geophysical	-	-	82,624	-	-	57,618	140,242
Permitting	-	-	-	-	10,834	-	10,834
Government grant	-	-	(200,000)	-	-	-	(200,000)
Translation adjustment	-	-	-	(16,669)	(3,780)	(6,318)	(26,767)
	-	-	1,064,287	(16,669)	312,187	855,452	2,215,257
Impairment	-	(1,686,985)	-	-	-	-	(1,686,985)
Balance, March 31, 2022	$ -	$ -	$ 2,078,522	$ 2,636,659	$ 781,540	$ 1,500,955	$ 6,997,676
Balance, March 31, 2022	**$ -**	**$ -**	**$ 2,211,047**	**$ 4,095,572**	**$ 1,026,837**	**$ 1,813,007**	**$ 9,146,463**

(Expressed in Canadian Dollars)

7. RECLAMATION BOND

The Company has a refundable reclamation bond related to its Big Ten Project with the USDA Forest Service in the state of Nevada, USA covering the Amsel Property for $59,951 (US$44,300) (2022 - $55,357 (US $44,000)) and a reclamation bond on its Reveille Project with the Bureau of Land Management for $20,815 (US$15,381).

8. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

		March 31, 2023		**March 31, 2022**
Trade Payables	$	62,689	$	87,125
Accrued Liabilities		48,267		22,427
	$	110,956	$	109,552

9. SHARE CAPITAL AND RESERVES

Authorized – Unlimited common shares without par value. As at March 31, 2023, the Company had 97,170,859 (2022 – 83,701,942) common shares issued and outstanding.

During fiscal 2023

- The Company closed a non-brokered private placement consisting of 6,443,750 units at a price of $0.16 for gross proceeds of $1,031,000. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.25 per common share to February 29, 2024. The Company paid cash fees of $11,940 and share issue costs of $750 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. A value of $96,656 was attributed to the warrants using the residual value method

- The Company closed a non-brokered private placement consisting of 1,973,500 units at a price of $0.16 per unit and 3,381,667 flow-through units at a price of $0.18 per flow-through share for total gross proceeds of $924,460. A flow-through premium liability of $101,450 was allocated to the flow-through obligation of this private placement, and the remainder of proceeds were allocated to share capital. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.25 per common share to March 23, 2024. The Company paid cash fees of $48,875 and share issue costs of $949 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. A value of $19,735 was attributed to the warrants using the residual value method

  During the year ended March 31, 2023, all of the flow through funds were spent on eligible exploration expenditures and the flow through premium was recognized in other income.

- The Company closed a non-brokered private placement of 1,670,000 flow-through units at a price of $0.18 per unit for gross proceeds of $300,600. A flow-through premium liability of $108,550 was allocated to the flow-through obligation of this private placement, and the remainder of proceeds were allocated to share capital. Each unit consisting of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.25 per common share to April 15, 2024. The Company paid cash fees of $18,036 and share issue costs of $47,808 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost.

9. SHARE CAPITAL AND RESERVES (cont'd…)

During the year ended March 31, 2023, all of the flow through funds were spent on eligible exploration expenditures and the flow through premium was recognized in other income.

During fiscal 2022

- The Company closed a non-brokered private placement consisting of 1,428,571 units at a price of $0.35 per unit and 1,190,476 flow-through shares at a price of $0.42 per flow-through share for total gross proceeds of $1,000,000. A flow-through premium liability of $95,238 was allocated to the flow-through obligation of this private placement, and the remainder of proceeds were allocated to share capital. Each unit consists of one common share of the Company and one-half of a common share purchase warrant.

  Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.55 per common share to November 15, 2022. A value of $14,286 was attributed to the warrants using the residual value method. The Company paid cash fees of $30,000 and issued 71,429 agent warrants valued at $8,099. Each agent warrant is exercisable at $0.55 per share to November 15, 2022. Additional share issue costs of $7,450 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. As at March 31, 2022, $500,000 of flow-through proceeds have been spent resulting in the flow-through premium of $95,238 recognized as other income.

- The Company closed a non-brokered private placement consisting of 2,631,579 flow-through shares at a price of $0.38 per flow-through share for gross proceeds of $1,000,000. A flow-through premium liability of $236,842 was allocated to the flow-through obligation of this private placement, and the remainder of proceeds were allocated to share capital. The Company paid cash fees of $60,000 and issued 157,894 agent warrants valued at $12,873. Each agent warrant is exercisable at $0.50 per share to June 1, 2023. Additional share issue costs of $7,450 were incurred in connection with the financing and was recorded as an offset to share capital as share issue cost. As at March 31, 2022, $118,578 of flow-through proceeds have been spent resulting in $28,084 of the flow-through premium recognized as other income and $208,758 remaining as a flow-through premium liability. The Company must spend the remaining flow-through proceeds of $881,422 by December 31, 2022. During the year ended March 31, 2023, the Company recognized the flow-through premium liability of $208,758 as other income. The Company also spent the remaining flow-through proceeds of $881,422.

- The Company issued 1,023,375 common shares on the exercise of warrants for proceeds of $358,181. $9,305 was reclassified from reserves to share capital.

- The Company issued 50,000 common shares for the acquisition of the Amsel property with a fair value of $18,000.

Stock options

The Company has an incentive stock option plan, which provides that the Board of Directors of the Company may from time-to-time, at its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed a rolling 10% of the Company's issued and outstanding common shares at the time the options are granted. Vesting of stock options is at the discretion of the Board of Directors. Stock options are exercisable for a maximum of 10 years, and the exercise price of the stock options is set in accordance with the policies of the TSX-V.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (cont'd…)

As at March 31, 2023, the Company had stock options outstanding enabling the holder to acquire common shares as follows:

Number of Shares	Exercise Price	Expiry Date	Options Exercisable	Weighted Average Life Remaining
105,000	$0.30	March 21, 2027	105,000	3.98
1,790,000	$0.30	March 21, 2027	1,790,000	3.98
250,000	$0.30	May 16, 2027	250,000	4.13
1,350,000	$0.30	April 13, 2028	1,350,000	5.04
200,000	$0.35	July 6, 2028	200,000	5.27
950,000	$0.28	August 14, 2029	950,000	6.38
900,000	$0.28	June 10, 2025	900,000	2.20
150,000	$0.30	August 27, 2025	150,000	2.41
1,415,000	$0.45	July 14, 2026	1,415,000	3.29
1,325,000	$0.16	September 23, 2027	1,325,000	4.49
8,435,000			8,435,000	4.20

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
As at March 31, 2021	6,060,000	$ 0.30
Granted	1,425,000	0.45
As at March 31, 2022	7,485,000	0.32
Granted	1,325,000	0.16
Expired	(375,000)	0.30
March 31, 2023	8,435,000	$ 0.30

During the year ended March 31, 2023, the Company recognized share-based payments expense of $136,211 (2022 - $426,574) in connection with the vesting of stock options granted.

The following weighted average assumptions were used for the Black-Scholes option pricing model valuation of stock options granted:

	March 31, 2023	March 31, 2021
Risk-free interest rate	3.40%	0.91%
Expected life of options	5	5.0
Annualized volatility	87%	94%
Share price	$ 0.15	$ 0.42
Dividend rate	0%	0%
Weighted average fair value per option granted	$ 0.10	$ 0.30

(Expressed in Canadian Dollars)

9. SHARE CAPITAL AND RESERVES (cont'd…)

Warrants

The following common share purchase warrants entitle the holders thereof to purchase one common share for each warrant. Warrants transactions are as follows:

	Number of Warrants		Weighted Average Exercise Price
As at March 31, 2021	8,152,479	$	0.40
Agents' warrants issued	229,323	$	0.52
Warrants issued in private placement	714,285	$	0.55
Warrants exercised	(1,023,375)	$	0.35
Warrants expired	(4,550,663)	$	0.38
As at March 31, 2022	3,522,049	$	0.47
Warrants expired	(3,364,155)	$	0.47
Warrants issued in private placement	6,734,458	$	0.25
As at March 31, 2023	6,892,352	$	0.26

The weighted average remaining contractual life of warrants outstanding at March 31, 2023, was 0.94 (March 31, 2022 – 0.43 years).

Warrants outstanding are as follows:

Number of Warrants	Exercise Price	Expiry Date
157,894(*)	$0.50	June 1, 2023
3,221,875	$0.25	February 29, 2024
2,677,583	$0.25	March 23, 2024
835,000	$0.25	April 15, 2024
6,892,352		

(*) Warrants expired unexercised

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the period ended March 31, 2023, consisted of the following:

- Recorded a flow-through premium of $210,000.
- Accrued $10,281 of exploration and evaluation assets in accounts payable and accrued liabilities.
- Issued warrants with a fair value of $116,391 determined using the residual value method.

Significant non-cash transactions during the period ended March 31, 2022, consisted of the following:

- Accrued $77,139 of exploration and evaluation assets in accounts payable and accrued liabilities.
- Issued 50,000 common shares with a fair value of $18,000 for the acquisition of exploration and evaluation assets.
- Issued 229,323 agents' warrants with a fair value of $20,972.
- Issued warrants with a fair value of $14,286 determined using the residual value method.
- Transferred $9,504 from reserves to share capital related to the fair value of warrants exercised.
- Recorded a flow-through premium of $332,090.

(Expressed in Canadian Dollars)

11. RELATED PARTY TRANSACTIONS

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. Key management personnel compensation for the year ended March 31, were:

		2023		2022
Short-term benefits paid or accrued:				
Consulting fees	$	24,000	$	24,000
Salaries		302,500		192,000
		326,500		216,000
Share-based payments:				
Share-based payments		123,360		341,259
Total remuneration	$	449,860	$	557,259

Included in accounts payable and accrued liabilities as at March 31, 2023 was $17,974 (March 31, 2022 – $0) owed to an officer of the Company.

12. SEGMENTED INFORMATION

The Company operates in one reportable segment being the acquisition and exploration of exploration and evaluation assets. Geographical information of the Company's non-current assets is as follows:

		March 31, 2023		March 31, 2022
Equipment - Canada	$	1,585	$	2,264
Exploration and evaluation assets - Canada	$	4,540,270	$	2,211,047
Exploration and evaluation assets - USA	$	5,773,487	$	6,935,416
Reclamation bond - USA	$	80,766	$	55,357

13. CAPITAL MANAGEMENT

The Company defines capital that it manages as shareholders' equity.

The Company manages its capital structure and adjusts it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage as such the Company has historically relied on equity financing to fund its activities. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient economic potential and if it has adequate financial resources to do so.

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 is not subject to externally imposed capital restrictions. There were no changes to the Company's approach to capital management during the year.

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

14. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (cont'd)

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data

The fair value of cash is measured at Level 1 of the fair value hierarchy. The carrying value of receivables, reclamation bonds and accounts payable and accrued liabilities approximate their fair value because of the short-term nature of these instruments.

Financial risk factors

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

Credit risk

Credit risk is the risk of loss associated with a counter party's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash and receivables. Management believes that the credit risk concentration with respect to receivables is remote as they are due from the Government of Canada. The Company's cash is deposited in accounts held at a large financial institution in Canada. As such, the Company believes the credit risk with cash is remote. Receivables comprise input tax receivables due from the Government of Canada. The Company considers the credit risk of receivables to be low.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As of March 31, 2023, the Company had a cash balance of $744,191 to settle current liabilities of $110,956. All the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company intends to raise additional equity financing in the coming fiscal year to meet its obligations.

Interest rate risk

The Company has cash balances and no interest-bearing debt. The Company's cash is held in accounts with floating interest rates. The Company's interest rate risk is estimated to be minimal.

Foreign currency risk

The Company is exposed to foreign currency risk on fluctuations related to assets and liabilities that are denominated in USD. Amounts exposed to foreign currency risk include cash of US$13,593 as of March 31, 2023 (Note 3). A 10% fluctuation in the USD against the CAD would result in an approximate $1,400 change in profit or loss for the year.

Price risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's profit or loss and the ability to obtain financing, due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on profit or loss and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company. Fluctuations in value may be significant.

(Expressed in Canadian Dollars)

15. INCOME TAXES

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2023	2022
Loss for the year	$ (2,400,945)	$ (2,612,560)
Expected income recovery	$ (648,000)	$ (705,000)
Change in statutory tax, and foreign exchange rates	(62,000)	43,000
Permanent differences	(77,000)	79,000
Impact of flow-through shares	483,000	167,000
Share issue costs	(35,000)	(28,000)
Adjustment to prior years provision versus statutory tax returns	7,000	(9,000)
Change in unrecognized deductible temporary differences and other	332,000	453,000
Total income tax expense (recovery)	$ -	$ -

Significant components of deductible temporary differences, unused tax losses and unused tax credits that have not been included on the consolidated statements of financial position are as follows:

	March 31, 2023	Expiry dates	March 31, 2022	Expiry dates
Share issue costs	$ 265,000	2044 to 2047	$ 258,000	2043 to 2046
Exploration and evaluation assets	3,622,000	No expiry	953,000	No expiry
Equipment	9,000	No expiry	9,000	No expiry
Non-capital losses	4,741,000	See below	5,563,000	2030 to 2042
Canada	2,850,000	2030 to 2043	3,817,000	2030 to 2042
USA	1,891,000	No expiry	1,746,000	No expiry

Tax attributes are subject to review and potential adjustment by tax authorities.

16. SUBSEQUENT EVENTS

a) granted 1,825,000 share purchase option to directors, officers and consultants at an exercise price of $0.19 valid for a period of five years.

b) completed private placement consisting of 4,300,743 units at a price of $0.14 per unit and 7,971,250 flow-through units at a price of $0.16 per flow-through share for total gross proceeds of $1,877,504. Each unit consists of one common share of the Company and one-half of a common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.23 per common share for a period of eighteen months. The Company paid cash fees of $53,644.

c) completed private placement consisting of 2,422,222 units at a price of $0.18 per unit and 2,051,282 flow-through units at a price of $0.195 per flow-through share for total gross proceeds of $836,000. Each unit consists of one common share of the Company and one common share purchase warrant. Each whole warrant entitles the holder to acquire one additional common share at an exercise price of $0.25 per common share to June 7, 2026. The Company paid cash fees of $24,000.