



## Consolidated Financial Statements

### ISSUER DETAILS

For the Year Ended:	May 31, 2021
Date of the Report:	September 27, 2021
Name of Issuer:	HAWKEYE GOLD & DIAMOND INC.
Issuers Address:	M 202 – 1985 Alberni Street Vancouver, BC, Canada V6G 0A2
Issuer Phone Number:	(778) 379-5393
Issuer Email Address:	<a href="mailto:hgo@hawkeyegold.com">hgo@hawkeyegold.com</a>
Issuer Website Address:	<a href="http://www.hawkeyegold.com">www.hawkeyegold.com</a>
Contact Person:	Greg Neeld
Contact Position:	President & CEO
Contact Phone Number:	(604) 908-8511
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**HAWKEYE Gold & Diamond Inc.**  
**Consolidated Financial Statements**

**May 31, 2021 and 2020**

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The logo for Charlton & Company, featuring the word "charlton" in a white, lowercase, sans-serif font on a dark blue rectangular background.

charlton & company  
CHARTERED PROFESSIONAL ACCOUNTANTS

## INDEPENDENT AUDITORS' REPORT

To the Shareholders of:  
Hawkeye Gold & Diamond Inc.

### Opinion

We have audited the accompanying consolidated financial statements of Hawkeye Gold & Diamond Inc. (the "Company"), which comprise the consolidated statements of financial position as at May 31, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, changes in shareholders' deficiency and cash flow 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 May 31, 2021 and 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

### Basis for Opinion

We conducted our audits 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 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 is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has a working capital deficiency of \$1,791,901 as of May 31, 2021 and, as of that date, has a deficit of \$17,638,898. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, 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.

### Other Information

Management is responsible for the other information. The other information comprises the Management 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. 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 Group 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.

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

*Charlton & Company*

**CHARTERED PROFESSIONAL ACCOUNTANTS**  
Vancouver, BC

**September 27, 2021**

**HAWKEYE GOLD & DIAMOND INC.**  
**Consolidated Statements of Financial Position**  
**(Expressed in Canadian dollars)**

	May 31, 2021	May 31, 2020
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 32,877	\$ -
GST receivable	-	2,209
Prepaid expenses and deposits	1,750	1,750
	<b>34,627</b>	<b>3,959</b>
<b>Equipment</b> (note 6)	<b>11,382</b>	<b>6,960</b>
<b>Exploration and evaluation assets</b> (schedules 1 and 2, note 7)	<b>1,374,295</b>	<b>1,366,627</b>
<b>Total assets</b>	<b>\$ 1,420,304</b>	<b>\$ 1,377,546</b>
<b>LIABILITIES</b>		
<b>Current</b>		
Bank over-draft	\$ -	\$ 1,593
Accounts payable and accrued liabilities	692,980	746,236
GST payable	1,167	-
Due to related parties (note 16)	734,151	619,799
Loans payable (note 8)	398,230	474,730
	<b>1,826,528</b>	<b>1,842,358</b>
<b>Loans payable</b> (note 8)	<b>28,438</b>	<b>-</b>
<b>Total liabilities</b>	<b>1,854,966</b>	<b>1,842,358</b>
<b>SHAREHOLDERS' DEFICIENCY</b>		
<b>Share capital</b> (note 9)	<b>16,418,608</b>	<b>16,011,419</b>
<b>Reserves</b> (notes 9 and 10)	<b>785,628</b>	<b>768,845</b>
<b>Deficit</b>	<b>(17,638,898)</b>	<b>(17,245,076)</b>
<b>Total shareholders' deficiency</b>	<b>(434,662)</b>	<b>(464,812)</b>
<b>Total liabilities and shareholders' deficiency</b>	<b>\$ 1,420,304</b>	<b>\$ 1,377,546</b>

Nature and continuance of operations (Note 1)

Subsequent events (Note 18)

Approved on behalf of the Board:

**"Greg Neeld"**

Greg Neeld

**"Christopher Fraser"**

Christopher Fraser

**HAWKEYE GOLD & DIAMOND INC.**  
**Consolidated Statements of Loss and Comprehensive Loss**  
**Years Ended May 31,**  
**(Expressed in Canadian dollars)**

	<b>2021</b>	<b>2020</b>
<b>Expenses</b>		
Advertising, entertainment and promotion	\$ 12,021	\$ 2,697
Automobile (note 16)	4,280	688
Bank and financing charges and interest (note 8)	45,137	20,609
Consulting (note 16)	7,609	4,949
Depreciation (note 6)	3,668	2,418
Filing and regulatory fees	14,565	18,313
Financing fee on warrant modification (note 9)	11,805	-
Management fees (note 16)	144,000	144,000
Office and miscellaneous	13,800	18,157
Professional fees	68,604	48,394
Rent (note 16)	43,680	43,680
Telecommunications	1,213	2,212
Travel and convention	-	438
Transfer agent	7,502	12,354
	\$ (377,884)	\$ (318,909)
<b>Gain on settlement of debt (note 9)</b>	-	52,500
<b>Gain on favourable interest rate (note 8)</b>	34,824	-
<b>Other income – flow-through (note 9)</b>	-	8,844
<b>Write-down of exploration and evaluation assets (schedule 1, note 7)</b>	<b>(50,762)</b>	-
<b>Loss and comprehensive loss for the year</b>	<b>\$ (393,822)</b>	<b>\$ (257,565)</b>
<b>Loss per common share - basic and diluted</b>	<b>\$ (0.01)</b>	<b>\$ (0.01)</b>
<b>Weighted average number of common shares outstanding - basic and diluted</b>	<b>70,161,387</b>	<b>50,462,935</b>

See accompanying notes to the consolidated financial statements

**HAWKEYE GOLD & DIAMOND INC.**  
**Consolidated Statements of Changes in Shareholders' Deficiency**  
**(Expressed in Canadian dollars)**

	<b>Number Shares</b>	<b>Share Capital</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total Deficiency</b>
<b>Balance, May 31, 2019</b>	37,216,442	\$ 15,151,610	\$ 698,598	\$ (16,987,511)	\$ (1,137,303)
Private placement	14,440,000	656,300	56,856	-	713,156
Finders' fee - cash	-	(20,180)	-	-	(20,180)
Finders' fee - warrants	-	(13,391)	13,391	-	-
Other share issuance costs	-	(6,420)	-	-	(6,420)
Issued for debt	3,500,000	122,500	-	-	122,500
Issued for resource properties	3,350,000	121,000	-	-	121,000
Loss for the year	-	-	-	(257,565)	(257,565)
<b>Balance, May 31, 2020</b>	<b>58,506,442</b>	<b>\$ 16,011,419</b>	<b>\$ 768,845</b>	<b>\$ (17,245,076)</b>	<b>\$ (464,812)</b>

	<b>Number Shares</b>	<b>Share Capital</b>	<b>Reserves</b>	<b>Deficit</b>	<b>Total Deficiency</b>
<b>Balance, May 31, 2020</b>	58,506,442	\$ 16,011,419	\$ 768,845	\$ (17,245,076)	\$ (464,812)
Private placement	16,900,000	422,500	-	-	422,500
Finders' fee - cash	-	(8,675)	-	-	(8,675)
Finders' fee - warrants	-	(4,978)	4,978	-	-
Other share issuance costs	-	(4,658)	-	-	(4,658)
Issued for resource properties	150,000	3,000	-	-	3,000
Financing fee – warrant modification	-	-	11,805	-	11,805
Loss for the year	-	-	-	(393,822)	(393,822)
<b>Balance, May 31, 2021</b>	<b>75,556,442</b>	<b>\$16,418,608</b>	<b>\$ 785,628</b>	<b>\$ (17,638,898)</b>	<b>\$ (434,662)</b>

See accompanying notes to the consolidated financial statements

**HAWKEYE GOLD & DIAMOND INC.**  
**Consolidated Statements of Cash Flow**  
**(Expressed in Canadian dollars)**

Year ended May 31,

	2021	2020
<b>Cash flows (used in) provided by operating activities</b>		
Loss for the year	\$ (393,822)	\$ (257,565)
Adjustments for:		
Accretion on long-term debt	3,262	-
Depreciation	3,668	2,418
Financing fee on warrant modification	11,805	-
Gain on settlement of debt	-	(52,500)
Gain on favourable interest rate	(34,824)	-
Other income – flow-through	-	(8,844)
Write-down of exploration and evaluation assets	50,762	-
<b>Changes in non-cash working capital items:</b>		
GST receivable (payable)	3,376	(1,678)
Prepaid expenses and deposits	-	244
Accounts payable and accrued liabilities	(26,995)	452,032
	<b>(382,768)</b>	<b>134,107</b>
<b>Cash flows used in investing activities</b>		
Deferred exploration expenditures incurred (net)	(77,141)	(809,941)
Acquisition costs associated with properties	(4,550)	-
Purchase of property and equipment	(8,090)	(535)
	<b>(89,781)</b>	<b>(810,476)</b>
<b>Cash flows provided by (used in) financing activities</b>		
Repayment of loans payable	(76,500)	-
Receipt of CEBA loan	60,000	-
Increase (decrease) in due to related parties	114,352	(20,520)
Proceeds from share issuances	422,500	722,000
Payment of finders' fee	(8,675)	(20,180)
Payment of share issuance costs	(4,658)	(6,421)
Increase (decrease) in bank indebtedness	(1,593)	1,490
	<b>505,426</b>	<b>676,369</b>
<b>Net increase in cash and equivalents</b>	<b>32,877</b>	<b>-</b>
<b>Cash, beginning of year</b>	<b>-</b>	<b>-</b>
<b>Cash, end of year</b>	<b>\$ 32,877</b>	<b>\$ -</b>
<b>Cash paid during the year for interest</b>	<b>\$ 41,679</b>	<b>\$ 1,416</b>
<b>Cash paid during the year for income tax</b>	<b>\$ -</b>	<b>\$ -</b>

**Supplemental disclosure with respect to cash flows (Note 11)**

See accompanying notes to the consolidated financial statements

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
**May 31, 2021**  
**(Expressed in Canadian dollars)**

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**1. Nature and Continuance of Operations**

Hawkeye Gold & Diamond Inc. (the “Company”) is an exploration stage company and the primary function of the business is to be engaged in the exploration for and the development of natural resources in Canada. The Company’s registered office is M202 – 1985 Alberni Street, Vancouver BC, V6G 0A2. The common shares of the Company trade on the TSX Venture Exchange (“TSXV”) under the symbol “HAWK” and on the Frankfurt Stock Exchange under the symbol “HGT”.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. At May 31, 2021, the Company had not yet determined whether the properties contain reserves that are economically recoverable. The recoverability of amounts shown for an exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and future profitable production from the properties or realizing proceeds from their disposition.

These consolidated financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. As at May 31, 2021 the Company has a working capital deficiency of \$1,791,901 (2020 - \$1,838,399) and a deficit of \$17,638,898 (2020: \$17,245,076). 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. There can be no assurances that the Company will continue to obtain the additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate financing, the Company may be required to curtail operations. These circumstances comprise a material uncertainty which may cast significant doubt about the Company’s ability to continue as a going concern.

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

During March 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. As at the date of this report, the Company has not been significantly impacted by the spread of COVID-19. However, the duration and impact of the pandemic could continue to have a negative impact on the stock market, including trading prices of the Company’s shares and its ability to raise new capital. These factors, amongst others, could have a significant impact on the Company’s operations going forward.

These consolidated financial statements were approved for issuance by the Board of Directors on September 27, 2021.

**2. 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”).

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
**May 31, 2021**  
**(Expressed in Canadian dollars)**

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**3. Basis of Measurement**

The annual consolidated financial statements have been prepared on a historical cost basis. The annual consolidated financial statements are presented in Canadian dollars, which is also the Company's functional currency.

The preparation of consolidated financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas involving a higher degree of judgement of complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 5.

The accounting policies set out in Note 5 have been applied consistently by the Company to all periods presented.

**4. Basis of Consolidation**

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries:

	May 31, 2021	May 31, 2020
Hawkeye Oro de Mexico S.A. de C.V	100%	100%
Tesla Nickel Corporation	100%	N/a

On October 29, 2020, the Company incorporated its wholly-owned subsidiary, Tesla Nickel Corporation, in the province of British Columbia.

The Company's subsidiaries are currently inactive. All inter-company amounts have been eliminated on consolidation.

**5. Significant Accounting Policies**

a) Cash and cash equivalents

Cash and cash equivalents comprise of highly liquid investments with original maturities of three months or less. As at May 31, 2021 and 2020 the Company did not have any cash-equivalents.

b) Equipment

Equipment is recorded at cost, less accumulated depreciation and impairment losses. The cost of an item 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. Depreciation is provided for on a declining balance basis at the following annual rates:

Computer equipment	30%
Computer software	100%
Office equipment	20%

In the year of acquisition, the rate used is one-half of that shown above.

c) Exploration and evaluation assets

(i) Pre-license expenditures

Pre-license expenditures are costs incurred before the legal rights to explore a specific area have been obtained. These costs are expensed in the period in which they are incurred as exploration and evaluation expense.

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
**May 31, 2021**  
**(Expressed in Canadian dollars)**

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**5. Significant Accounting Policies (continued)**

c) Exploration and evaluation assets (continued)

(ii) Exploration and evaluation expenditures

Once the legal right to explore has been acquired, costs directly associated with the exploration project are capitalized as either tangible or intangible exploration and evaluation assets according to the nature of the asset acquired ("E&E costs"). Such E&E costs may include undeveloped land acquisition, geological, geophysical and seismic, exploratory drilling and completion, testing, decommissioning and directly attributable internal costs. E&E costs are not depleted and are carried forward until technical feasibility and commercial viability of extracting a mineral resource is considered to be determined. The technical feasibility and commercial viability of a mineral resource is considered to be established when proved and or probable mineral reserves are determined to exist. All such carried costs are subject to technical, commercial and management review at least once a year to confirm the continued intent to develop or otherwise extract value from the exploratory activity. When this is no longer the case, impairment costs are charged to exploration and evaluation expense. Upon determination of mineral reserves, exploration and evaluation assets attributed to those reserves are first tested for impairment and then reclassified to development and production assets within property, plant and equipment, net of any impairment. Expired land costs are also expensed to exploration and evaluation expense as they occur.

The Company has not established any NI 43-101 compliant proven or probable reserves on any of its mineral properties which have been determined to be economically viable.

(iii) Impairment

Exploration and evaluation assets are assessed for impairment when indicators and circumstances suggest that the carrying amount may exceed its recoverable amount. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. 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 pre-tax 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 the profit or loss for the period.

Industry-specific indicators for an impairment review arise typically when one of the following circumstances applies:

- Substantive expenditure for further exploration and evaluation activities is neither budgeted nor planned;
- Title to the asset is compromised, has expired or is expected to expire;
- Adverse changes in the taxation, regulatory or political environment;
- Adverse changes in variables in commodity prices and markets making the project unviable; and
- Variations in the exchange rate for the currency of operation.

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
**May 31, 2021**  
**(Expressed in Canadian dollars)**

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**5. Significant Accounting Policies (continued)**

c) Exploration and evaluation assets (continued)

(iii) Impairment (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

d) Share capital

Common shares are classified as equity. Transactions costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

e) Loss per share

Basic earnings (loss) per share are calculated based on the weighted average number of shares outstanding during the period. The Company follows the treasury stock method for the calculation of diluted earnings per share. Under this method, dilution is calculated based upon the net number of common shares issued should "in-the-money" options and warrants be exercised and the proceeds be used to repurchase common shares at the average market price in the year. For the periods presented, this calculation proved to be anti-dilutive.

f) Share-based payments

The Company grants stock options to directors, officers, employees and consultants. Options granted are accounted for using the fair value method. Under this method, the fair value of stock options granted to employees are measured at estimated fair value at the grant date and recognized over the vesting period. The fair value of the options granted to non-employees are measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably, in which case the fair value of the equity instruments issued is used.

The Company uses the Black-Scholes option pricing model to determine the fair value of these incentives taking into consideration terms and conditions upon which the options were granted. At each financial reporting date, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Consideration received on the exercise of stock options is recorded as share capital and the related reserves on options granted is transferred to share capital.

g) Warrants

Warrants issued to agents or brokers in connection with a financing are recorded at fair value and charged to issue costs associated with the offering with an offsetting credit to warrants in shareholders' equity. The warrants are measured using the Black-Scholes option pricing model.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component.

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
**May 31, 2021**  
**(Expressed in Canadian dollars)**

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**5. Significant Accounting Policies (continued)**

g) Warrants (continued)

The fair value of the common shares issued in the placements are determined to be the more easily measurable component and were valued at their fair value, as determined by the closing price on the announcement date. The balance, if any, was allocated to the attached warrants. Any fair value attributed to the warrants is recorded as reserves.

Proceeds of the exercise of these warrants are credited to share capital together with the corresponding amount, if any, of the original warrant charge included in warrants.

h) Income taxes

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized in other comprehensive income or loss or directly in equity, in which case it is recognized in other comprehensive income or loss or equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is provided using the balance sheet liability method, providing for unused tax loss carry-forwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the group intends to settle its current tax assets and liabilities on a net basis.

i) Provision for environmental rehabilitation

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or straight line method. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
**May 31, 2021**  
**(Expressed in Canadian dollars)**

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**6. Significant Accounting Policies (continued)**

i) Provisions for environmental rehabilitation (continued)

Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses.

The Company has no restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

j) Provisions

Provisions are recognized when present legal or constructive obligations exist as a result of a past event 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. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation.

k) Flow-through shares

Under the Canadian Income Tax Act, an enterprise may issue securities referred to as flow-through shares, whereby the investor may claim the tax deductions arising from qualifying expenditures that the company made with the proceeds. The increase to share capital when flow-through shares are issued is measured based on the current market price of common shares. The incremental proceeds or “premium” are recorded as a deferred credit. When expenditures are renounced, a deferred tax liability is recognized and the deferred credit is reversed. The net amount is recognized as a deferred income tax recovery.

l) Financial instruments

(i) Classification

The Company classifies its financial instruments in the following categories: at fair value through profit and loss (“FVTPL”), at fair value through other comprehensive income (loss) (“FVTOCI”) or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company’s business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

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

Financial assets/liabilities	Classification
Cash	Amortized cost
Bank over-draft	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost
Loans payable	Amortized cost

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**5. Significant Accounting Policies (continued)**

l) Financial instruments (continued)

(ii) Measurement

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of income (loss). Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of income (loss) in the period in which they arise.

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of income (loss), as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

(iv) Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of income (loss).

m) Leases

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the statement of financial position. The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

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**5. Significant Accounting Policies (continued)**

m) Leases (continued)

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available. If the interest rate implicit in the lease is not readily available, the Company discounts using the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

The Company applies the short-term lease exemption available for leases within a term of 12 months.

During the year ended May 31, 2021, the Company recognized rent expense of \$43,680 (2020: \$43,680) in relation to short term leases.

n) Government assistance

The Company recognizes government grant income when there is reasonable assurance the grant will be received and any conditions associated with the grant will be met.

o) Critical accounting estimates and judgements

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the consolidated financial statements are discussed below:

*Judgements*

*Exploration and evaluation expenditures*

The application of the Company's accounting policy for exploration and evaluation expenditure requires judgment in determining whether it is likely that future economic benefits will flow to the Company, which may be based on assumptions about future events or circumstances. Estimates and assumptions may change if new information becomes available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of the expenditure is unlikely, the amount capitalized is written off in the profit or loss in the period the new information becomes available.

*Title to mineral property interests*

Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

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**5. Significant Accounting Policies (continued)**

- o) Critical accounting Estimates and judgements (continued)

*Estimates*

*Share-based payment transactions*

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions 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 share option, volatility and dividend yield and making assumptions about them.

*Useful lives of equipment*

Depreciation of equipment is dependent upon estimates of useful lives and residual values, which are determined through the exercise of judgement. The assessment of any impairment of these assets' is dependent upon estimates of recoverable amounts that take into account factors such as economic and market conditions and the useful lives of assets.

*Income tax*

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. 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 future income tax provisions or recoveries could be affected.

*Discount rate on long-term loan*

Management is required to estimate the discount rate for its long-term loans. The rate is used to discount future loan cash flows to determine the carrying value of the loan. Management estimates its incremental borrowing rate based on the risk-free rate and a credit risk premium for a period commensurate with the term of the loan.

- p) Application of new and revised International Financial Reporting Standards

*Standards, amendments and interpretations not yet effective*

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for current or future account periods. None of these are expected to have a significant effect on the consolidated financial statements.

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**6. Equipment**

	<b>Costs</b>			
	<b>Computer Equipment</b>	<b>Computer Software</b>	<b>Office Equipment</b>	<b>Total</b>
Balance, May 31, 2019	\$ 60,439	\$ -	\$ 33,240	\$ 93,679
Additions	-	535	-	535
Balance, May 31, 2020	\$ 60,439	\$ 535	\$ 33,240	\$ 94,214
Additions	5,516	1,774	800	8,090
Balance, May 31, 2021	<b>\$ 65,955</b>	<b>\$ 2,309</b>	<b>\$ 34,040</b>	<b>\$ 102,304</b>

	<b>Accumulated Depreciation</b>			
	<b>Computer Equipment</b>	<b>Computer Software</b>	<b>Office Equipment</b>	<b>Total</b>
Balance, May 31, 2019	\$ 56,617	\$ -	\$ 28,219	\$ 84,836
Depreciation	1,146	268	1,004	2,418
Balance, May 31, 2020	\$ 57,763	\$ 268	\$ 29,223	\$ 87,254
Depreciation	1,630	1,155	883	3,668
Balance, May 31, 2021	<b>\$ 59,393</b>	<b>\$ 1,423</b>	<b>\$ 30,106</b>	<b>\$ 90,922</b>

	<b>Net Carrying Amount</b>			
	<b>Computer Equipment</b>	<b>Computer Software</b>	<b>Office Equipment</b>	<b>Total</b>
Balance, May 31, 2020	\$ 2,676	\$ 267	\$ 4,017	\$ 6,960
Balance, May 31, 2021	<b>\$ 6,562</b>	<b>\$ 886</b>	<b>\$ 3,934</b>	<b>\$ 11,382</b>

**HAWKEYE GOLD & DIAMOND INC.**  
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**7. Exploration and Evaluation Assets**

a) Bonanza Project

On January 16, 2017, the Company entered into a purchase and sale agreement to acquire a 100% interest in the Bonanza Property located on the northern end of Vancouver Island. The Company has acquired a 100% interest in the property by paying \$5,000 and issuing 250,000 common shares with a fair value of \$0.06 per share. On October 14, 2020 the Company entered into an agreement to amend the terms regarding the Net Smelter Return ("NSR") provision. The new terms states that the Property is subject to a two percent (2%) Net Smelter Return in favour of the Vendor for all minerals. The Company may repurchase 1.5 percent (1.5%) of the NSR for \$1.5 million. The remaining 0.5 percent (0.5%) held by the Vendor will be subject to a right of first refusal by the Company until October 14, 2030. The Company paid \$3,750 and issued 150,000 common shares to secure the amending agreement. The Company received TSXV acceptance for the amending agreement on November 4, 2020.

During the year ended May 31, 2021, the Company incurred \$6,750 (2020: \$nil) in acquisition costs and incurred \$nil (2020: \$nil) in exploration expenditures.

During the year ended May 31, 2021, the Company wrote off the \$43,962 (2020: \$nil) carrying value of the property as there were no immediate plans for exploration activities.

b) 2-Aces Project

The Company entered into a Sale and Purchase Agreement ("SAPA") with the Vendor of the 2-Aces Project on June 8, 2017 to acquire a 100% interest in the property. The terms call for payment of \$12,000 cash and issuance of 50,000 common shares of the Company, plus an additional 250,000 common shares of the Company if it proceeds to a pre-feasibility study. The Company received TSXV acceptance of the agreement on October 4, 2017.

During the year ended May 31, 2020, the Company revised the terms of the SAPA whereby the payment terms were replaced in their entirety and the 100% interest could be earned by issuing 550,000 common shares. On November 20, 2019, the Company acquired a 100% interest in the property by issuing 550,000 common shares with a fair value of \$0.035 per share.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$19,250) in acquisition costs and incurred \$nil (2020: \$612) in exploration expenditures.

c) Keithley Creek Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the Keithley Creek Project on June 26, 2017 to acquire a 100% interest in the property. The terms call for payment of \$7,000 cash and issuance of 50,000 common shares of the Company, plus an additional 250,000 common shares of the Company if it proceeds to a pre-feasibility study. The Company received TSXV acceptance of the agreement on October 5, 2017.

During the year ended May 31, 2020, the Company revised the terms of the SAPA whereby the payment terms were replaced in their entirety and the 100% interest could be earned by issuing 350,000 common shares. On November 20, 2019, the Company acquired a 100% interest in the property by issuing 350,000 common shares with a fair value of \$0.035 per share.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$12,250) in acquisition costs and incurred \$nil (2020: \$2,563) in exploration expenditures.

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**7. Exploration and Evaluation Assets (continued)**

d) Cariboo Valley Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the Cariboo Valley Project on July 4, 2017 to acquire a 100% interest in the property. The terms call for payment of \$5,000 cash and issuance of 50,000 common shares of the Company, plus an additional 250,000 common shares of the Company if it proceeds to a pre-feasibility study. The Company received TSXV acceptance of the agreement on October 6, 2017.

During the year ended May 31, 2020, the Company revised the terms of the SAPA whereby the payment terms were replaced in their entirety and the 100% interest could be earned by issuing 250,000 common shares. On November 20, 2019, the Company acquired a 100% interest in the property by issuing 250,000 common shares with a fair value of \$0.035 per share.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$8,750) in acquisition costs and incurred \$nil (2020: \$762) in exploration expenditures.

e) Seller Creek Project

The Company entered into a Sale and Purchase Agreement (SAPA) with the Vendor of the Seller Creek Project on August 23, 2017 to acquire a 100% interest in the property. The terms call for payment of \$15,000 cash and issuance of 50,000 common shares of the Company, plus an additional 250,000 common shares of the Company if it proceeds to a pre-feasibility study. The Company received TSXV approval on October 17, 2017.

During the year ended May 31, 2020, the Company revised the terms of the SAPA whereby the payment terms were replaced in their entirety and the 100% interest could be earned by issuing 650,000 common shares. On November 20, 2019, the Company acquired a 100% interest in the property by issuing 650,000 common shares with a fair value of \$0.035 per share.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$22,750) in acquisition costs and incurred \$nil (2020: \$1,131) in exploration expenditures.

f) McBride Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the McBride Project on September 13, 2017 to acquire a 100% interest in the property. The Company has acquired a 100% interest in the property by paying \$8,000 and issuing 100,000 common shares with a value of \$0.06 per share. If the project proceeds to a pre-feasibility study, the Company will be required to issue an additional 250,000 common shares. The Company received TSXV acceptance of the agreement on October 25, 2017.

On October 11, 2018, the Company announced that it had entered into a Sale and Purchase Agreement with the vendor of the Klappan Project (these claims are contiguous to the eastern border and form part of the McBride Property) to acquire a 100% interest in the property. The Company has acquired a 100% interest in the property by paying \$3,000 and issuing 100,000 common shares with a fair value of \$0.055 per share. If the project proceeds to a Preliminary Economic Assessment ("PEA"), the Company will be required to issue an additional 250,000 common shares. The acquisition is not subject to any NSR. The Company received TSXV acceptance of the agreement on November 15, 2018.

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**7. Exploration and Evaluation Assets (continued)**

f) McBride Project (continued)

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$nil) in acquisition costs and incurred \$9,880 (2020: \$801,912) in exploration expenditures.

The Company posted a reclamation deposit in the amount of \$7,000 (2020: \$7,000) on the McBride project, included in Exploration and Evaluation Assets.

A vendor has filed a lien against one of the McBride Project claims (note 17).

g) Todagin Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the Todagin Project on September 19, 2017 to acquire a 100% interest in the property. The Company has acquired a 100% interest in the property by paying \$7,000 and issuing 100,000 common shares with a fair value of \$0.06 per share. If the project proceeds to a Preliminary Economic Assessment, the Company will be required to issue an additional 250,000 common shares. The Company received TSXV acceptance of the agreement on October 27, 2017.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$nil) in acquisition costs and incurred \$9,400 (2020: \$179) in exploration expenditures.

The Company posted a reclamation deposit in the amount of \$6,000 (2020: \$nil) on the Todagin project, included in Exploration and Evaluation Assets.

h) Boomerang Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the Boomerang Project on December 4, 2017 to acquire a 100% interest in the property. The Company has acquired a 100% interest in the property by paying \$10,000 and issuing 100,000 common shares with a fair value of \$0.06 per share. If the project proceeds to a Preliminary Economic Assessment, the Company will be required to issue an additional 250,000 common shares. The Company received TSXV acceptance of the agreement on December 13, 2017.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$nil) in acquisition costs and incurred \$28,300 (2020: \$168) in exploration expenditures.

The Company posted a reclamation deposit in the amount of \$22,000 (2020: \$nil) on the Boomerang project, included in Exploration and Evaluation Assets.

i) Swift River Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the Swift River Project on November 30, 2018 to acquire a 100% interest in the property. The terms call for payment of \$4,000 cash and issuance of 200,000 common shares of the Company, plus an additional 250,000 common shares of the Company if it proceeds to a pre-feasibility study. The Company received TSXV acceptance of the agreement on January 10, 2019.

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**7. Exploration and Evaluation Assets (continued)**

i) Swift River Project (continued)

During the year ended May 31, 2020, the Company revised the terms of the SAPA whereby the payment terms were replaced in their entirety and the 100% interest could be earned by issuing 360,000 common shares. On November 20, 2019, the Company acquired a 100% interest in the property by issuing 360,000 common shares with a fair value of \$0.035 per share.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$12,600) in acquisition costs and incurred \$nil (2020: \$813) in exploration expenditures.

j) Bonanza Lake Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the Bonanza Lake Project on February 7, 2019 to acquire a 100% interest in the property. The terms call for payment of \$1,500 cash and issuance of 100,000 common shares of the Company, plus an additional 250,000 common shares of the Company if it proceeds to a pre-feasibility study. The Company received TSXV acceptance of the agreement on March 6, 2019. The Company completed the transaction on March 6, 2019 by issuing 100,000 common shares with a fair value of \$0.035 per share.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$1,800) in acquisition costs and incurred \$nil (2020: \$nil) in exploration expenditures.

During the year ended May 31, 2021, the Company wrote off the \$6,800 (2020: \$nil) carrying value of the property as there were no immediate plans for exploration activities.

k) Cariboo Lake

The Company entered into a Sale and Purchase Agreement with the Vendor of the Cariboo Lake Project on November 30, 2018 to acquire a 100% interest in the property. The terms call for payment of \$1,000 cash and issuance of 100,000 common shares of the Company, plus an additional 250,000 common shares of the Company if it proceeds to a pre-feasibility study. The Company received TSXV acceptance of the agreement on January 10, 2019.

During the year ended May 31, 2020, the Company revised the terms of the SAPA whereby the payment terms were replaced in their entirety and the 100% interest could be earned by issuing 140,000 common shares. On November 20, 2019, the Company acquired a 100% interest in the property by issuing 140,000 common shares with a fair value of \$0.035 per share.

During the year ended May 31, 2021, the Company incurred \$nil (2020: \$4,900) in acquisition costs and incurred \$nil (2020: \$nil) in exploration expenditures.

l) Klastline Project

The Company entered into a Sale and Purchase Agreement with the Vendor of the Klastline Project to acquire a 100% interest in the property. The terms call for the issuance of 600,000 common shares of the Company, plus an additional 250,000 common shares of the Company within 90 days of the completion of a Preliminary Economic Assessment report.

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**7. Exploration and Evaluation Assets (continued)**

l) Klastline Project (continued)

On November 4, 2019, the Company acquired a 100% interest in the property by issuing 600,000 common shares with a fair value of \$0.03 per share.

During the period ended May 31, 2021, the Company incurred \$nil (2020: \$18,000) in acquisition costs and incurred \$1,100 (2020: \$nil) in exploration expenditures.

m) Railway Project

The Company entered into a Sale and Purchase Agreement with three separate Vendors of properties that forms the Railway project.

- SAPA #1 calls for the payment of \$1,000 and the issuance of 200,000 common shares. On September 24, 2019, the Company issued 200,000 common shares with a fair value of \$0.05 per share and acquired a 100% interest in 14 mineral property claims.
- SAPA #2 calls for the issuance of 100,000 common shares. On September 24, 2019 the Company issued 100,000 common shares with a fair value of \$0.05 per share and acquired a 100% interest in one mineral property claim.
- SAPA #3 calls for the issuance of 150,000 common shares and an additional 150,000 common shares within 90 days of the completion of a Preliminary Economic Assessment report. On October 11, 2019, the Company issued 150,000 common shares with a fair value of \$0.05 share and acquired a 100% interest in one mineral property claim.

During the period ended May 31, 2021, the Company incurred \$800 (2020: \$22,500) in acquisition costs and incurred \$2,200 (2020: \$nil) in exploration expenditures

For a breakdown of exploration and evaluation expenditures incurred during the years ended May 31, 2021 and 2020, refer to Schedules 1 and 2 in the consolidated financial statements.

**8. Loans Payable**

As at May 31, 2021, the Company had three loans with arm's length parties. The loans are unsecured and non-interest bearing with no terms of repayment.

	Principal Amount	Finance Fee	Total Amount Outstanding
Balance, May 31, 2019	\$ 344,060	\$ 280,670	\$ 624,730
Repayment by issuing shares (note 9b)	(150,000)	-	(150,000)
Balance, May 31, 2020	194,060	280,670	474,730
Repayment	(76,500)	-	(76,500)
<b>Balance, May 31, 2021</b>	<b>\$ 117,560</b>	<b>\$ 280,670</b>	<b>\$ 398,230</b>

As of May 31, 2021, all finance fees on the outstanding loans have been accrued.

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**8. Loans Payable (continued)**

b) Canada Emergency Business Account (CEBA) Loan

The Company was approved for a \$60,000 COVID-19 relief line of credit via the Canada Emergency Business Account Program ("CEBA"). The terms provide for an interest free period of 24 months from December 31, 2020 and if 2/3 of the loan is repaid on or before December 31, 2022, the remaining 1/3 (\$20,000) will be forgiven. If the loan is not repaid by that date, it will be extended for a two-year term and becomes interest bearing 5% per annum. As at May 31, 2021, the loan is recognized at fair market value of \$28,438 (2020: \$nil). The fair value of the loan was calculated using an annual interest rate of 24%. As at May 31, 2021, the face value of the loan is \$60,000 (2020: \$nil). During the period ended May 31, 2021, the Company recorded a gain on favourable interest rate of \$34,824 (2020: \$nil) and accretion expense of \$3,262 (2020: \$nil).

**9. Share Capital**

a) Authorized:

Unlimited common shares without par value.

b) Issued and outstanding:

As at May 31, 2021, there are 75,556,442 (2020: 58,506,442) common shares issued and outstanding.

During the period ended May 31, 2021, the Company issued 17,050,000 shares as follows:

- On September 24, 2020, the Company issued 16,900,000 units at a price of \$0.025 per unit for gross proceeds of \$422,500 pursuant to a private placement.

Each unit consists of one (1) common share of the Company and one (1) share purchase warrant, with each warrant entitling the holder to acquire one (1) common share at a price of \$0.05 per common share for a period of thirty-six (36) months expiring on September 24, 2023.

The Company paid finder's fees of \$8,675 in cash and issued 343,000 finder's warrants with a fair value of \$4,978. The Company paid other cash share issuance costs of \$4,658.

- On November 3, 2020, the Company issued 150,000 common shares to amend the terms of the Net Smelter Royalties on the Bonanza Property. The shares had fair a value of \$0.02 per share (Note 7(a)).

During the year ended May 31, 2020, the Company issued 21,290,000 common shares as follows:

- On September 16, 2019 the Company closed the private placement announced on August 6, 2019. The private placement consisted of flow-through and non-flow-through or common units, both priced at \$0.05 per unit. A total of 4,220,000 flow-through and 5,840,000 common units were issued for gross proceeds of \$503,000. The entire proceeds were allocated to the shares based on the residual value method. The Company recognized a flow-through premium liability of \$nil in connection with the offering.

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**9. Share Capital (continued)**

The Company paid cash finders' fees of \$20,080 and issued 241,600 flow-through finders' warrants and 160,000 common unit finders' warrants. The finders' warrants have the same terms and conditions as their underlying units. The flow-through warrants were assigned a fair value of \$6,784 and the non-flow-through warrants were assigned a fair value of \$6,607 using the Black-Scholes valuation method.

The flow-through units consist of one (1) flow-through common share of the Company and one (1) half warrant. Each full warrant will entitle the holder to purchase one (1) common share at \$0.10 per share for a period of twelve (12) months expiring September 16, 2020.

The non-flow through or common units consists of one (1) common share of the Company and one (1) full common warrant. Each full common warrant will entitle the holder to purchase one (1) common share at \$0.10 per share for a period of twenty-four (24) months expiring September 16, 2021.

If at any time after the closing date, the Company's shares have a closing price of \$0.20 or more for ten (10) consecutive trading days, the Company shall be entitled to give notice to the holders of the warrants that the warrants will expire thirty (30) days from the date of mailing such notice or news release of such notice.

All the shares issued pursuant to the private placement will be subject to a four-month plus one-day hold period from the closing date.

- The Company issued 300,000 common shares on September 24, 2019 for the acquisition of two properties in the Railway project. The shares had a fair value of \$0.05 per share (note 7).
- The Company issued 150,000 common shares on October 11, 2019 for the acquisition of the third property in the Railway project. The shares had a fair value of \$0.05 per share (note 7).
- The Company issued 600,000 common shares on November 4, 2019 for the acquisition of the Klastline property. The shares had a fair value of \$0.03 per share (note 7).
- On November 15, 2019 the Company closed a private placement announced on September 23, 2019. The private placement consisted of flow-through and non-flow-through common units, both priced at \$0.05 per unit. A total of 1,000,000 flow-through and 3,380,000 common units were issued for gross proceeds of \$219,000. Of the proceeds, \$153,300 was allocated to the shares and \$56,856 was allocated to the warrants, and \$8,844 was allocated to the flow-through premium liability under the residual value method. The Company did not pay any finders' fees.

The flow-through premium liability of \$8,844 was reversed and recognized as other income as at May 31, 2020 based on the Company expending all of the amounts raised under the flow-through offering on qualified exploration expenditures.

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**9. Share Capital (continued)**

The flow-through units consist of one (1) flow-through common share of the Company and one (1) half flow-through warrant. Each full warrant will entitle the holder to purchase one (1) non-flow-through common share at \$0.10 per share for a period of twelve (12) months expiring November 15, 2020.

The non-flow through or common units consists of one (1) common share of the Company and one (1) full common warrant. Each full common warrant will entitle the holder to purchase one (1) common share at \$0.10 per share for a period of twenty-four (24) months expiring November 15, 2021.

If at any time after the closing date, the Company's shares have a closing price of \$0.20 or more for ten (10) consecutive trading days, the Company shall be entitled to give notice to the holders of the warrants that the warrants will expire thirty (30) days from the date of mailing such notice or news release of such notice.

All the shares issued pursuant to the private placement will be subject to a four-month hold period expiring March 15, 2020.

- The Company issued 3,500,000 common shares with a value of of \$0.035 per share on November 15, 2019 to settle \$175,000 of outstanding debt. Of that amount, \$150,000 was loans payable and \$25,000 was accounts payable and accrued liabilities. The Company recognized a gain of \$52,500 on the debt settlement.
- On November 20, 2019, the Company issued 2,300,000 common shares with a fair value of \$0.035 per share to obtain a 100% interest in six properties located in the Barkerville area. The six properties are 2-Aces, Keithley Creek, Cariboo Valley, Seller Creek, Cariboo Lake and Swift River (note 7).

c) Share Purchase Warrants

Summary of the warrants outstanding at May 31, 2021:

	<b>Number of Warrants</b>	<b>Weighted avg exercise price</b>
Balance at May 31, 2019	13,220,000	\$ 0.10
Issued	12,231,600	0.10
Cancelled/expired	<u>(6,824,000)</u>	0.10
Balance at May 31, 2020	18,627,600	0.10
Issued	17,243,000	0.05
Cancelled/expired	<u>(337,600)</u>	0.10
<b>Balance at May 31, 2021</b>	<b>35,533,000</b>	<b>\$ 0.08</b>

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
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**9. Share Capital (continued)**

b) Share Purchase Warrants (continued)

There are 35,533,000 share purchase warrants outstanding as at May 31, 2021 as follows:

Number of Warrants	Exercise Price	Expiry Date
6,000,000	\$0.10	September 16, 2021
3,380,000	\$0.10	November 15, 2021
2,110,000	\$0.10	September 16, 2023*
5,000,000	\$0.10	September 18, 2023*
1,300,000	\$0.10	October 22, 2023*
500,000	\$0.10	November 15, 2023*
17,243,000	\$0.05	September 24, 2023

\*On September 23, 2020 the Company received TSXV acceptance to extend the expiry dates for three (3) additional years from 2020 to 2023. An incremental value of \$11,805 was calculated relating to the warrant modification using the Black-Scholes option pricing model with an expected life of 3.15 years, risk-free interest rate of 0.26%, dividend yield of 0% and historical volatility of 212%.

The weighted average remaining contractual life of granted and outstanding warrants at May 31, 2021 is 1.80 years (2020: 0.84 years). The warrants have a weighted average exercise price of \$0.08 (2020: \$0.10).

The fair value of the finders' warrants was determined using the Black-Scholes Option Pricing Model. The model utilizes certain subjective assumptions including the expected life of the option and expected future stock price volatility. Changes in these assumptions can materially affect the estimated fair value of the Company's finders' warrants. The Company used the Black-Scholes Option Pricing Model for valuation of warrants in 2021 and 2020.

The assumptions used in the Black-Scholes Option Pricing Model were:

	May 31, 2021	May 31, 2020
Expected volatility	95%	163% - 165%
Risk free interest rate	0.26%	1.62%
Expected life in years	3	0.96 - 1.96
Grant date fair value per share	\$0.01	\$0.035 - \$0.06
Forfeiture rate	0.00%	0.00%

**HAWKEYE GOLD & DIAMOND INC.**  
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**10. Stock Options**

On February 1, 2021 the Company received TSXV approval for its current stock option plan, reserving a maximum of 10% of the issued shares of the Company for issuance under its Rolling Stock Option Plan. The maximum number of shares which may be reserved for any eligible person within a 12 month period shall not exceed 5% of issued and outstanding shares and the maximum number of shares which may be reserved for any one consultant or provider of investor relations services within a 12 month period shall not exceed 2% of the issued and outstanding shares. Shareholders of the Company approved this plan at the Issuer's Annual General Meeting held on December 24, 2020.

As at May 31, 2021, 2020 and 2019, there were 1,601,165 stock options with a weighted average exercise price of \$0.11 outstanding.

The terms of the 1,601,165 stock options outstanding as at May 31, 2021 are as follows:

Number of Shares	Exercise Price	Expiry Date
145,000	\$ 0.10	July 9, 2022
861,165	0.10	April 25, 2026
170,000	0.12	September 9, 2026
425,000	0.12	January 25, 2027

The weighted average remaining contractual life of granted and outstanding stock options at May 31, 2021 is 4.80 years (2020: 5.80 years).

**11. Supplemental cash flow information**

Non-cash activities for the year ended May 31, 2021 are as follows:

- a) Issued 150,000 common shares with a fair value of \$3,000 to amend the terms of the Net Smelter Royalty on the Bonanza property (note 7(a)).
- b) Issued finder's warrants with a fair value of \$4,978.
- c) There was exploration additions outstanding in accounts payable and accrued liabilities of \$381,962 (2020: \$408,223).

Non-cash activities for the year ended May 31, 2020 are as follows:

- a) Issued 450,000 common shares with a value of \$0.05 per share for property acquisitions (note 7(m)).
- b) Issued 600,000 common shares with a value of \$0.03 per share for property acquisitions (note 7(l)).
- c) Issued 3,500,000 common shares with a value of \$0.035 per share to settle \$150,000 of outstanding loans payable and \$25,000 of outstanding accounts payable and accrued liabilities. The Company recognized a gain of \$52,500 on the debt settlement (note 9(b)).
- d) Issued 2,300,000 common shares with a value of \$0.035 per share for property acquisitions (notes 7(b),(c),(d),(e),(f),(i)).
- e) Issued finder's warrants with a fair value of \$13,391.

**HAWKEYE GOLD & DIAMOND INC.**  
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**12. Financial Instruments**

The Company's financial instruments consist of cash, bank over-draft, accounts payable and accrued liabilities, due to related parties, and loans payable.

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:

- 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 Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. As at May 31, 2021 and 2020, the Company did not have any financial instruments classified as FVTPL. The fair values of bank over-draft, accounts payable and accrued liabilities, due to related parties and loans payable approximate their carrying values due to the short-term nature of these instruments. The long-term loan is carried at amortized cost using a 24% borrowing rate.

**13. Risk Management**

The Company is engaged primarily in mineral exploration and manages related industry risk issues directly. The Company may be at risk for environmental issues and fluctuations in commodity pricing. Management is not aware of and does not anticipate any significant environmental remediation costs or liabilities in respect of its current operations.

The Company's financial instruments are exposed to certain financial risks, which include the following:

***Credit risk***

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of a major Canadian bank.

***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's cash. The Company's cash is held in corporate bank accounts available on demand.

As at May 31, 2021, the Company has a working capital deficiency as described in Note 1. The Company's continued operations remain dependent on sources of external financing, such as private placements. Based on these facts, the Company is significantly exposed to liquidity risk.

**HAWKEYE GOLD & DIAMOND INC.**  
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**13. Risk Management (continued)**

***Market Risk***

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

- *Currency Risk*  
The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian dollars; therefore, currency risk is minimal.
- *Interest Rate Risk*  
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.
- *Price Risk*  
The Company is exposed to price risk with respect to equity prices. Price risk as it relates to the Company is defined as the potential adverse impact on the Company's ability to finance due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors individual equity movements and the stock market to determine the appropriate course of action to be taken by the Company.

**14. Capital Management**

The Company's primary source of funds comes from the issuance of share capital. The Company defines its capital as all components of shareholders equity. Capital requirements are driven by the Company's planned exploration and evaluation activities and general and administrative expenses. To effectively manage the Company's capital requirements, the Company has a planning and budgeting process in place to ensure that adequate funds are available to meet its strategic goals. The Company monitors actual expenses to budget on all exploration projects and overhead to manage costs, commitments and exploration activities. Although the Company has been successful at raising funds in the past through the issuance of share capital and loans, there can be no assurance that it will continue to be able to do so in the future. There were no changes in the Company's approach to capital management during the year ended May 31, 2021. The Company is not subject to externally imposed capital requirements.

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
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**15. Income Taxes**

Income tax expense recorded in these consolidated financial statements differs from the amount that would be computed by applying federal and provincial statutory income tax rates to the loss before income taxes.

	<b>May 31, 2021</b>		<b>May 31, 2020</b>	
Loss for the year	\$	(393,822)	\$	(257,565)
Combined federal and provincial tax rate		27.00%		27.00%
Expected tax recovery	\$	(106,000)	\$	(70,000)
Change in other		10,000		(12,000)
Permanent differences		3,000		-
Share issuance costs		(4,000)		(7,000)
Adjustment to prior year's provision versus statutory tax returns		(83,000)		-
Change in unrecognized deductible temporary differences		180,000		89,000
<b>Total income tax expense (recovery)</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>

The components of the unrecognized deferred income tax assets are as follows:

	<b>May 31, 2021</b>		<b>May 31, 2020</b>	
Deferred income tax assets (liabilities)				
Exploration and evaluation assets	\$	794,000	\$	685,000
Equipment		19,000		28,000
Share issue costs		13,000		19,000
Debt with accretion		(9,000)		-
Non-capital losses available for future periods		2,127,000		2,033,000
		2,944,000		2,765,000
Unrecognized deferred income tax assets		(2,944,000)		(2,765,000)
<b>Net deferred tax assets</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	<b>May 31, 2021</b>				<b>May 31, 2020</b>			
Temporary differences								
Exploration and evaluation assets	\$	2,942,000	No expiry date		\$	2,536,000	No expiry date	
Equipment		72,000	No expiry date			103,000	No expiry date	
Share issue costs		49,000	2022 to 2026			71,000	2022 to 2025	
Debt with accretion		(32,000)	No expiry date			-	No expiry date	
Non-capital losses available for future periods	\$	7,876,000	2026 to 2041		\$	7,530,000	2026 to 2040	

**HAWKEYE GOLD & DIAMOND INC.**  
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**(Expressed in Canadian dollars)**

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**16. Related Party Transactions**

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Related party transactions are in the ordinary course of business and are measured at the exchange amount.

- a) During the year ended May 31, 2021, \$120,000 (2020: \$120,000) was paid or accrued to the President and director of the Company as management fees. The Company reimbursed the president and director \$43,680 (2020: \$43,680) for shared office premises.
- b) During the year ended May 31, 2021, \$24,000 (2020: \$24,000) was paid or accrued to an individual related to the President of the Company as compensation for services rendered and included in management fees.
- c) During the year ended May 31, 2021, \$1,500 (2020: \$nil) was paid or accrued to a director of the Company as consulting fees.
- d) As at May 31, 2021, there is a balance of \$620,683 (2020: \$511,891) due to the President and director of the Company included in due to related parties.
- e) As at May 31, 2021, there is a balance of \$1,743 (2020: \$1,743) due to a company owned by the President of the Company included in due to related parties.
- f) As at May 31, 2021, there is a balance of \$111,725 (2020: \$96,725) due to an individual related to the president and director of the Company included in due to related parties.
- g) As at May 31, 2021, there is a balance of \$5,600 (2020: \$15,600) due to a related party included in loans payable.
- h) As at May 31, 2021, there is a balance of \$nil (2020: \$9,440) due to a director of the Company (since resigned) included in due to related parties.

The above noted transactions have been reported at amounts agreed to by the related parties.

Amounts outstanding in due to related parties and loans payable are unsecured, non-interest bearing with no specific terms of repayment.

**17. Settlement**

On February 10, 2021, the Company received notice of a civil claim commenced by a vendor to collect an outstanding accounts payable balance in the amount of \$86,369 plus interest. Pursuant to the claim, the vendor has filed a lien in the amount of \$126,396 against one of the McBride Project claims (note 7(f)). On July 12, 2021, the Company filed a response to the civil claim. As at May 31, 2021, the balance of \$143,246 including interest has been included in accounts payable.

On September 3, 2021, the Company paid \$40,000 to the vendor thereby reducing the outstanding principal to \$86,369 and outstanding balance with interest to \$103,246.

**HAWKEYE GOLD & DIAMOND INC.**  
**Notes to Consolidated Financial Statements**  
**May 31, 2021**  
**(Expressed in Canadian dollars)**

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**18. Subsequent events**

Subsequent to May 31, 2021, the Company made a payment of \$50,000 towards outstanding loans payable.

On September 16, 2021, the Company extended the expiry date of 5,480,000 warrants with an exercise price of \$0.10 for three additional years from September 16, 2021 to September 16, 2024.

**HAWKEYE GOLD & DIAMOND INC.**
**Schedule 1**
**Consolidated Schedule of Deferred Exploration Expenditures**
**Period ended May 31, 2021**
**(Expressed in Canadian dollars)**

	Bonanza	2-Aces	Keithley Creek	Cariboo Valley	Seller Creek	McBride	Todagin	Boomerang	Swift River	Bonanza Lake	Cariboo Lake	Klastline	Railway	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balances, May 31, 2020 (see schedule 2)														
Acquisition costs	21,920	19,250	12,250	8,750	22,750	22,500	13,000	16,000	12,600	6,800	4,900	18,000	22,500	201,220
Exploration expenditures	15,292	52,881	37,112	26,201	48,240	866,585	32,234	66,575	20,287	-	-	-	-	1,165,407
<b>Total beginning property expenditures</b>	<b>37,212</b>	<b>72,131</b>	<b>49,362</b>	<b>34,951</b>	<b>70,990</b>	<b>889,085</b>	<b>45,234</b>	<b>82,575</b>	<b>32,887</b>	<b>6,800</b>	<b>4,900</b>	<b>18,000</b>	<b>22,500</b>	<b>1,366,627</b>
Incurred during the current period														
Acquisition costs	6,750	-	-	-	-	-	-	-	-	-	-	-	800	7,550
Exploration expenditures														
Assays	-	-	-	-	-	533	-	-	-	-	-	-	-	533
Claim maintenance	-	-	-	-	-	7,600	3,400	6,300	-	-	-	1,100	2,200	20,600
Consulting	-	-	-	-	-	1,747	-	-	-	-	-	-	-	1,747
Permits	-	-	-	-	-	-	6,000	22,000	-	-	-	-	-	28,000
<b>Total exploration expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,880</b>	<b>9,400</b>	<b>28,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,100</b>	<b>2,200</b>	<b>50,880</b>
<b>Total current period expenditures</b>	<b>6,750</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,880</b>	<b>9,400</b>	<b>28,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,100</b>	<b>3,000</b>	<b>58,430</b>
Less:														
Acquisition costs written off	(28,670)	-	-	-	-	-	-	-	-	(6,800)	-	-	-	(35,470)
Exploration expenditures written off	(15,292)	-	-	-	-	-	-	-	-	-	-	-	-	(15,292)
<b>Total property interest written off</b>	<b>(43,962)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,800)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(50,762)</b>
Balance, end of period:														
Acquisition costs	-	19,250	12,250	8,750	22,750	22,500	13,000	16,000	12,600	-	4,900	18,000	23,300	173,300
Exploration expenditures	-	52,881	37,112	26,201	48,240	876,465	41,634	94,875	20,287	-	-	1,100	2,200	1,200,995
<b>Mineral Property Interests, May 31, 2021</b>	<b>-</b>	<b>72,131</b>	<b>49,362</b>	<b>34,951</b>	<b>70,990</b>	<b>898,965</b>	<b>54,634</b>	<b>110,875</b>	<b>32,887</b>	<b>-</b>	<b>4,900</b>	<b>19,100</b>	<b>25,500</b>	<b>1,374,295</b>

**HAWKEYE GOLD & DIAMOND INC.**
**Schedule 2**
**Consolidated Schedule of Deferred Exploration Expenditures**
**Period ended May 31, 2021**
**(Expressed in Canadian dollars)**

	Bonanza	2-Aces	Keithley Creek	Cariboo Valley	Seller Creek	McBride	Todagin	Boomerang	Swift River	Bonanza Lake	Cariboo Lake	Klastline	Railway	TOTAL
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Balances, May 31, 2019														
Acquisition costs	21,920	-	-	-	-	22,500	13,000	16,000	-	5,000	-	-	-	78,420
Exploration expenditures	15,292	52,269	34,549	25,439	47,109	64,672	32,055	66,407	19,474	-	-	-	-	357,266
<b>Total beginning property expenditures</b>	<b>37,212</b>	<b>52,269</b>	<b>34,549</b>	<b>25,439</b>	<b>47,109</b>	<b>87,172</b>	<b>45,055</b>	<b>82,407</b>	<b>19,474</b>	<b>5,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>435,686</b>
Incurring during the current period														
Acquisition costs	-	19,250	12,250	8,750	22,750	-	-	-	12,600	1,800	4,900	18,000	22,500	122,800
Exploration expenditures														
Assays	-	-	-	-	-	17,029	-	-	-	-	-	-	-	17,029
Claim maintenance	-	-	-	-	-	7,000	-	-	-	-	-	-	-	7,000
Consulting	-	450	2,400	600	1,050	142,294	-	-	731	-	-	-	-	147,525
Drilling	-	-	-	-	-	290,077	-	-	-	-	-	-	-	290,077
Field expenses	-	162	163	162	81	11,700	179	168	82	-	-	-	-	12,697
Helicopters	-	-	-	-	-	225,708	-	-	-	-	-	-	-	225,708
Survey	-	-	-	-	-	108,105	-	-	-	-	-	-	-	108,105
<b>Total exploration expenditures</b>	<b>-</b>	<b>612</b>	<b>2,563</b>	<b>762</b>	<b>1,131</b>	<b>801,913</b>	<b>179</b>	<b>168</b>	<b>813</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>808,141</b>
<b>Total current period expenditures</b>	<b>-</b>	<b>19,862</b>	<b>14,813</b>	<b>9,512</b>	<b>23,881</b>	<b>801,913</b>	<b>179</b>	<b>168</b>	<b>13,413</b>	<b>1,800</b>	<b>4,900</b>	<b>18,000</b>	<b>22,500</b>	<b>930,941</b>
Balance, end of period:														
Acquisition costs	21,920	19,250	12,250	8,750	22,750	22,500	13,000	16,000	12,600	6,800	4,900	18,000	22,500	201,220
Exploration expenditures	15,292	52,881	37,112	26,201	48,240	866,585	32,234	66,575	20,287	-	-	-	-	1,165,407
<b>Mineral Property Interests, May 31, 2020</b>	<b>37,212</b>	<b>72,131</b>	<b>49,362</b>	<b>34,951</b>	<b>70,990</b>	<b>899,085</b>	<b>45,234</b>	<b>82,575</b>	<b>32,887</b>	<b>6,800</b>	<b>4,900</b>	<b>18,000</b>	<b>22,500</b>	<b>1,366,627</b>