SAVILLE RESOURCES INC.

Financial Statements

For the Years Ended April 30, 2022 and 2021

(Expressed in Canadian Dollars)

DeVISSERGRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

401-905 West Pender St
Vancouver BC V6C 1L6
t 604.687.5447
f 604.687.6737

Independent Auditor's Report

To the Shareholders of Saville Resources Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Saville Resources Inc. (the "Company"), which comprise the statement of financial position as at April 30, 2022, and the statements of loss and comprehensive loss, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2022 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

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 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 financial statements in Canada, and we have fulfilled our 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.

Other Matter

The financial statements of the Company for the year ended April 30, 2021 were audited by another auditor who expressed an unqualified opinion on those statements on August 19, 2021.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial statements, which indicates that the Company incurred a net loss during the year ended April 30, 2022 and, as of that date, the Company had an accumulated deficit. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, 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 information included in "Management's Discussion and Analysis", but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the 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 Financial Statements

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 William Nichols.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
August 23, 2022

Saville Resources Inc.
Statements of Financial Position
As at April 30, 2022 and 2021
Expressed in Canadian Dollars

		2022		2021
Assets				
Current				
Cash	$	**522,651**	$	488,254
Receivables (Note 6)		**2,952**		2,750
Marketable securities (Note 8)		**68,055**		114,722
Prepaid expenses		**1,663**		119,088
		595,321		724,814
Exploration and evaluation assets (Note 7)		**2,660,048**		1,578,048
	$	**3,255,369**	$	2,302,862
Liabilities				
Current				
Accounts payable and accrued liabilities	$	**113,427**	$	79,427
Liability for flow-through shares (Note 15)		**78,878**		93,725
		192,305		173,152
Loans payable (Note 9)		**275,978**		30,691
		468,283		203,843
Equity				
Share capital (Note 10)		**11,778,000**		10,887,659
Contributed surplus (Note 10)		**466,121**		399,100
Deficit		**(9,457,035)**		(9,187,740)
		2,787,086		2,099,019
	$	**3,255,369**	$	2,302,862

Commitments (Note 14)

The financial statements were approved by the Board of Directors on August 23, 2022 and were signed on its behalf by:

"Mike Hodge"
President, Director

"Charn Deol"
Director

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

Saville Resources Inc.
Statements of Loss and Comprehensive Loss
For the years ended April 30, 2022 and 2021
Expressed in Canadian Dollars

		2022		2021
Expenses				
Accretion (Note 9)	$	**5,287**	$	3,779
Administration fees (Note 14)		**150,000**		150,000
Advertising and travel		**98,085**		61,403
Office and miscellaneous		**7,142**		8,013
Professional fees		**18,640**		17,584
Property investigation		**-**		5,194
Salaries and consulting fees (Note 11 and 16)		**108,340**		87,640
Transfer agent and filing fees		**18,450**		16,779
		(405,944)		(350,392)
Other expenses (income)				
Gain on government grant (Note 9)		**-**		(12,724)
Interest (income) expense		**(19)**		889
Unrealized loss on marketable securities (Note 8)		**46,667**		11,666
Part XII.6 tax expense		**-**		2,552
		46,648		2,383
Net loss before income taxes		**(452,592)**		(352,775)
Deferred tax recovery (Note 15)		**183,297**		-
Net loss and comprehensive loss for the year		**(269,295)**		(352,775)
Basic and diluted loss per share	$	**(0.00)**	$	(0.01)
Weighted average number of common shares outstanding – basic and diluted		**93,524,467**		69,017,746

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

Saville Resources Inc.
Statements of Changes in Equity
For the years ended April 30, 2022 and 2021
Expressed in Canadian Dollars

	Number of shares		Share capital		Contributed surplus		Deficit		Total
Balance, April 30, 2020	**63,415,400**	**$**	**10,275,619**	**$**	**337,020**	**$**	**(8,834,965)**	**$**	**1,777,674**
Shares issued for cash (Note 10)	6,014,500		240,580		60,145		-		300,725
Shares issued for cash – flow through (Note 10)	10,045,000		408,525		-		-		408,525
Share issuance costs	-		(37,065)		1,935		-		(35,130)
Net loss for the year	-		-		-		(352,775)		(352,775)
Balance, April 30, 2021	**79,474,900**	**$**	**10,887,659**	**$**	**399,100**	**$**	**(9,187,740)**	**$**	**2,099,019**
Shares issued for cash (Note 10)	**8,375,000**		**369,000**		**49,750**		-		**418,750**
Shares issued for cash – flow through (Note 10)	**13,996,667**		**588,350**		**-**		-		**588,350**
Share issuance costs	**-**		**(67,009)**		**17,271**		-		**(49,738)**
Net loss for the year	**-**		**-**		**-**		**(269,295)**		**(269,295)**
Balance, April 30, 2022	**101,846,567**	**$**	**11,778,000**	**$**	**466,121**	**$**	**(9,457,035)**	**$**	**2,787,086**

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

Saville Resources Inc.
Statements of Cash Flows
For the years ended April 30, 2022 and 2021
Expressed in Canadian Dollars

	2022	2021
Operating activities		
Net loss for the year	**$ (269,295)**	$ (352,775)
Items not involving cash		
Accretion	**5,287**	3,779
Gain on government grant	**-**	(12,724)
Deferred tax recovery	**(183,297)**	-
Unrealized loss on marketable securities	**46,667**	11,666
Changes in non-cash working capital		
Receivables	**(202)**	298
Prepaid expenses	**117,425**	(113,768)
Accounts payable and accrued liabilities	**143,651**	21,890
Cash flows used in operating activities	**(139,764)**	(441,634)
Investing activities		
Mining tax credits received	**-**	29,025
Exploration and evaluation assets	**(1,037,901)**	(20,332)
Cash flows from (used in) investing activities	**(1,037,901)**	8,693
Financing activities		
Loans payable	**240,000**	20,000
Shares issued for cash, net of share issuance costs	**972,062**	767,845
Cash flows from financing activities	**1,212,062**	787,845
Net change in cash	**34,397**	354,904
Cash, beginning of year	**488,254**	133,350
Cash, end of year	**$ 522,651**	$ 488,254

Supplemental information:

	2022	2021
• Exploration and evaluation assets in accounts payable	**$ 44,099**	$ -
• Shares issued to settle accounts payable	**$ 153,750**	$ -

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

Expressed in Canadian Dollars

1. NATURE OF OPERATIONS AND CONTINUANCE OF OPERATIONS

Saville Resources Inc. ("Saville" or "the Company") is a publicly listed company incorporated in British Columbia with limited liability under the legislation of the Province of British Columbia and its shares are listed on the TSX Venture Exchange under the symbol "SRE" and the Frankfurt Stock Exchange under the symbol "S0J". The Company is principally engaged in the acquisition, exploration, development and mining of mineral properties. The head office, principal address and registered and records office of the Company are located at 1450, 789 West Pender Street, Vancouver, BC, Canada, V6C 1H2.

The Company is in the process of exploring its mineral property interests and has not yet determined whether its investments contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for the investment in the mineral properties is entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the investment in the mineral properties, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition of the investment in the mineral properties.

2. GOING CONCERN

The Company's ability to continue as a going concern is dependent upon the Company's ability to satisfy its liabilities as they become due and to obtain the necessary financing to complete the exploration and development of its mineral property interests and the attainment of profitable mining operations. Management is actively engaged in the review and due diligence of opportunities of merit in the mining sector and is seeking to raise the necessary capital to meet its funding requirements. The conditions described above may cast significant doubt as to the appropriateness of the use of the going concern assumption.

Management of the Company does not expect that cash flows for the Company's operations will be sufficient to cover all of its operating requirements, financial commitments and business development priorities during the next twelve months. Accordingly, there is a material uncertainty that may cast significant doubt on Company's ability to continue as going concern. The Company expects that it will need to obtain further financing in the form of debt, equity or a combination thereof for the next twelve months. There can be no assurance that additional funding will be available to the Company, or, if available, that this funding will be on acceptable terms. If adequate funds are not available, the Company may be required to delay or reduce the scope of planned exploration and other programs. As at April 30, 2022 and 2021, the Company reported the following:

	2022	2021
Net loss for the year	$269,295	$352,775
Deficit	$9,457,035	$9,187,740
Working capital	$403,016	$551,662

Accordingly, these financial statements do not give effect to adjustments, which could be material, to the carrying values and classification of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

The outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. The outbreak and the related mitigation measures may have an adverse impact on global economic conditions as well as on the Company's business activities. The extent to which the coronavirus may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and conditions of the Company in future periods. The Company is monitoring the business environment as a result to ensure minimal disruption to business operations. The Company continues to be in operations as of the current date.

3. BASIS OF PREPARATION

a) Statement of compliance

These statements are prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB").

b) Basis of measurement

These financial statements have been prepared under the historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss ("FVTPL"), which are stated at their fair value.

c) Approval of the financial statements

The financial statements of the Company for the year ended April 30, 2022 were authorized for issue in accordance with a resolution of the directors on August 23, 2022.

4. SIGNIFICANT ACCOUNTING POLICIES

Cash

Cash consists of cash on hand and deposits in banks.

Exploration and evaluation costs

Exploration and evaluation activities involve the search for minerals, the determination of technical feasibility, and the assessment of commercial viability of an identified resource.

Exploration and evaluation costs incurred prior to obtaining licenses are expensed in the period in which they are incurred. Once the legal right to explore has been acquired, exploration and evaluation costs incurred are capitalized. All capitalized exploration and evaluation costs are recorded at acquisition cost and are monitored for indications of impairment. Where there are indications of a potential impairment, an assessment is performed for recoverability. Capitalized costs are charged to the statement of comprehensive loss to the extent that they are not expected to be recovered.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets are tested for impairment and transferred to "Mines under construction'. No amortization is recorded during the exploration and evaluation phase.

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

Mining exploration tax credit

Refundable mining credits are earned in respect to exploration costs incurred in British Columbia and Quebec, Canada and exploration expenditures are recorded as a reduction of the related deferred exploration expenditures upon receipt from the Canada Revenue Agency ("CRA") and Revenue Quebec.

4. SIGNIFICANT ACCOUNTING POLICIES – Continued

Impairment of exploration and evaluation assets

Exploration and evaluation assets are assessed for impairment if sufficient data exists to determine technical feasibility and commercial viability, and facts and circumstances suggest that the carrying amount exceeds the recoverable amount. The recoverable amount of a cash generating unit is the greater of its value in use and its fair value less costs to sell.

Value in use is generally the present value of the future cash flows expected to be generated from production of proved and probable reserves determined by reference to the reserve report. The estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Fair value less cost to sell is determined as the amount that would be obtained from the sale of a cash generating unit in an arm's length transaction between knowledgeable and willing parties. When indicators of impairment are present, the Company will measure any resulting impairment loss on an asset by asset basis. Exploration and evaluation assets must also be tested for impairment once technical feasibility and commercial viability can be demonstrated before reclassification to property and equipment.

Decommissioning and rehabilitation liabilities

The Company recognizes a decommissioning and restoration liability, which would be discounted to its net present value, in the year in which it is incurred when a reasonable estimate of value can be made. Such costs are capitalized as part of the related long-lived asset at the start of each project, as soon as the obligation to incur such costs arises. Changes in the measurement of decommissioning and restoration liability that result from changes in estimated timing or amount of the cash flow, including the effects of inflation, revisions to estimated reserves, resources and lives of operations, or a change in the discount rate, are added to, or deducted from, the cost of the related asset in the period it occurred. If a decrease in the liability exceeds the carrying amount of the asset, the excess is recognized immediately in profit or loss. If the asset value is increased and there is an indication that the revised carrying value is not recoverable; an impairment test is performed in accordance with the accounting policy set out in the 'Impairment" note.

The Company did not have any significant decommissioning and restoration obligations at April 30, 2022 and 2021.

Share-based payment transactions

The Company grants stock options to buy common shares of the Company to directors, officers and employees. The board of directors grants such options for periods of up to five years, which vest immediately and priced at the previous day's closing price.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the vesting period of the options. The fair value is recognized as an expense with a corresponding increase in equity. The amount recognized as expense is adjusted to reflect the number of share options expected to vest.

Where the terms of a stock option are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the stock-based compensation arrangement or is otherwise beneficial to the employee as measured at the date of modification over the remaining vesting period.

Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received.

4. SIGNIFICANT ACCOUNTING POLICIES – Continued

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 directly in equity, in which case it is recognized in 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 liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, nor differences relating to investments in subsidiaries, and associates to the extent that they will probably not reverse in the foreseeable future. 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 financial position reporting date 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.

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

Financial instruments

The classification and measurement of financial assets is based on the Company’s business models for managing its financial assets and whether the contractual cash flows represent solely payments of principal and interest (“SPPI”). Financial assets are initially measured at fair value and are subsequently measured at either (i) amortized cost; (ii) fair value through other comprehensive income, or (iii) at fair value through profit or loss.

- Amortized cost

  Financial assets classified and measured at amortized cost are those assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise to cash flows that are SPPI. Financial assets classified at amortized cost are measured using the effective interest method.

- Fair value through other comprehensive income (“FVTOCI”)

  Financial assets classified and measured at FVTOCI are those assets that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise to cash flows that are SPPI. This classification includes certain equity instruments where IFRS 9 allows an entity to make an irrevocable election to classify the equity instruments, on an instrument-by-instrument basis, that would otherwise be measured at fair value through profit or loss (“FVTPL”) to present subsequent changes in FVTOCI.

- Fair value through profit or loss (“FVTPL”)

  Financial assets classified and measured at FVTPL are those assets that do not meet the criteria to be classified at amortized cost or at FVTOCI. This category includes debt instruments whose cash flow characteristics are not SPPI or are not held within a business model whose objective is either to collect contractual cash flows, or to both collect contractual cash flows and sell the financial asset.

4. SIGNIFICANT ACCOUNTING POLICIES – Continued

Financial instruments – continued

Financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. The Company classifies its financial liabilities into one of the following categories:

- Financial liabilities at fair value through profit or loss

  This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

- Other financial liabilities

  This category consists of liabilities carried at amortized cost using the effective interest method.

The following table summarizes the classification of the Company's financial instruments:

Financial assets	**Classification**
Cash	Amortized cost
Receivables (exclude tax receivables)	Amortized cost
Marketable securities	FVTPL

Financial liabilities	**Classification**
Accounts payable and accrued liabilities	Other financial liabilities
Loans payable	Other financial liabilities

The financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset. Financial liabilities are derecognized when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Government grants

Loans received from government are recognized initially at fair value, with the difference between the fair value of the loan based on prevailing market interest rates and the amount received, being recorded as government grant gain in the statements of loss and comprehensive loss. Government assistance toward current expenses is recognized in profit or loss for the period as a reduction in the related expenses.

Share capital

The Company records proceeds from share issuances net of issue costs and any tax effects. Common shares issued for consideration other than cash, are valued based on their market value at the date the agreement to issue shares was conducted.

Warrants

Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

4. SIGNIFICANT ACCOUNTING POLICIES – Continued

Flow-through shares

Flow-through shares entitle a company that incurs certain resource expenditures in Canada to renounce them for tax purposes allowing the expenditures to be deducted for tax purposes by the investors who purchased the shares. While IFRS contains no specific guidance on accounting for flow-through shares, the Company has chosen to adopt the following accounting policy:

At the time of closing a financing involving flow-through shares, the Company allocates the gross proceeds received (i.e. the "flow-through commitment") as follows:

- Share capital – the fair market price at the date of the issue;
- Flow-through share premium – recorded as a liability and equal to the estimated premium, if any, investors pay for the flow-through feature, i.e. the portion in excess of the market value of the shares without the flow-through features at the time of issue. A flow through share premium liability is included in deferred tax recovery at the time the qualifying expenditures are made.; and
- Fair value of warrants – if warrants are being issued, based on the valuation derived using the residual method.

In the case that the Company does not issue non-flow-through units together with the flow-through units, the flow-through share premium is determined by using the residual method, whereby the fair value of warrants will be valued based on the Black-Scholes option-pricing model, and the flow-through share premium equal to any residual balance after the fair market price of the common shares and fair value of warrants. Therefore, as qualifying resource expenditures are incurred, these costs are capitalized to exploration and evaluation assets.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period.

A deferred tax liability equal to the tax value of flow-through expenditures renounced is recognized once the Company has fulfilled its obligations associated with the renunciation of related flow-through expenditures. In respect of a retrospective renunciation, such obligation is considered to have been fulfilled when eligible expenditures have been incurred and management establishes the intent to make renunciation filings with the appropriate taxation authorities. In respect of prospective renunciation (i.e., a look-back renunciation), the obligation is considered to be fulfilled once related flow-through expenditures have been incurred.

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.

Earnings (loss) per share

The Company presents basic and diluted earnings/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. The Company uses the treasury stock method for calculating diluted earnings (loss) per share. Under this method the dilutive effect on earnings per share is calculated on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to purchase common shares at the average market price during the period. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

4. SIGNIFICANT ACCOUNTING POLICIES – Continued

Related party transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control, related parties may be individuals or corporate entities.

A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments and estimates about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The following are the critical judgments and areas involving estimates, that management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognized in the financial statements.

a) Critical judgments in applying accounting policies

Going concern assumption
These financial statements have been prepared on the basis of the accounting principles applicable to a going concern, which assumes the Company's ability to continue in operation for the foreseeable future and to realize its assets and discharge its liabilities in the normal course of operations. There are several adverse conditions that cast substantial doubt upon the soundness of this assumption. Refer to Note 2 for more details.

Exploration and evaluation assets
The Company makes certain judgements and assumptions regarding indicators of impairment and the recoverability of the carrying values of exploration and evaluation assets. Management has assessed for impairment indicators for the Company's properties and has concluded that no indicators of impairment occur as at April 30, 2022 and 2021.

b) Key sources of estimation uncertainty

Income taxes
Provisions for income taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were originally recorded, such differences will affect the tax provisions in the period in which such determination is made.

Expressed in Canadian Dollars

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - Continued

<u>Fair value of share-based payment</u>
Management measures the fair value of equity-settled share-based transactions with officers, directors and consultants 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. The Company uses Black-Scholes option pricing model. This estimate also requires determining and making assumptions about the most appropriate inputs to the valuation model including the expected life, volatility, dividend yield and forfeiture rate. Such assumptions are inherently uncertain and changes in these assumptions affect the fair value estimates.

<u>Interest rate on government loan</u>
The government loan is measured at fair value based on management's best estimate of the effective interest rate at initial recognition. The fair value is also based on the Company's estimate that the amount will be fully repaid by December 31, 2022.

6. RECEIVABLES

	April 30, 2022	April 30, 2021
GST receivable	$ 2,885	$ 1,700
QST receivable	67	-
Refund for overpayment	-	1,050
Total	$ 2,952	$ 2,750

7. EXPLORATION AND EVALUATION ASSETS

Niobium Claim Group Property

On January 11, 2018, the Company entered into an exploration earn-in agreement with Commerce Resources Corp. ("Commerce") on the Niobium Claim Group Property wholly owned by Commerce in Quebec. Under the exploration earn-in agreement, the Company has agreed to perform $5 million of exploration work on the Niobium Claim Group Property over a five-year period to earn a 75% interest in the claims. The Company made a payment of $25,000 upon signing and a payment of $225,000 following TSX Venture Exchange approval on October 11, 2018. Commerce will retain a 2% Net Smelter Royalty (NSR) on production from some of the claims with a 1% NSR buyback for $1 million, and a 1% NSR on the claims that are already subject to royalties.

Covette Property

On November 27, 2017, the Company entered into an agreement with Zimtu Capital Corp. ("Zimtu") to acquire a 100% interest in and to the Covette Property, located in the James Bay Region of Quebec. In exchange for 100% of the right, title, and interest in and to the Covette Property, consisting of 65 mineral claims, the Company paid Zimtu $350,000. This agreement was accepted by the TSX Venture Exchange on June 28, 2018.

Expressed in Canadian Dollars

7. EXPLORATION AND EVALUATION ASSETS - Continued

The following is a description of the Company's most significant property interests and related spending commitments:

		Niobium Claim Group Property		Covette Property		Total
Balance, April 30, 2020	$	1,262,614	$	324,127	$	1,586,741
Assays and analytical		5,405		-		5,405
Field supplies and rentals		3,850		-		3,850
Geological expenses		10,993		-		10,993
Travel and accommodation		84		-		84
Total property costs for the year		20,332		-		20,332
Less: Mining tax credits received		(29,025)		-		(29,025)
Balance, April 30, 2021	$	1,253,921	$	324,127	$	1,578,048
Staking		-		1,963		1,963
Assays and analytical		60,006		-		60,006
Drilling		279,985		-		279,985
Field supplies and rentals		173,976		-		173,976
Geological expenses		239,419		-		239,419
Permitting		418		-		418
Travel and accommodation		326,233		-		326,233
Total property costs for the year		1,080,037		1,963		1,082,000
Balance, April 30, 2022	$	2,333,958	$	326,090	$	2,660,048

8. MARKETABLE SECURITIES

During the year ended April 30, 2020, the Company received 388,888 shares of Ximen Mining Corp. in connection with the sale of the Bud Property. As at April 30, 2022, the Company holds 388,888 shares (2021 - 388,888) with a fair market value of $68,055, or $0.175 per share. During the year ended April 30, 2022, the Company recorded an unrealized loss on the shares of $46,667 (2021 - $11,667).

9. LOANS PAYABLE

On April 30, 2020, the Company received a $40,000 line of credit ("CEBA LOC") with the Bank of Montreal under the Canada Emergency Business Account ("CEBA") program funded by the Government of Canada. The CEBA LOC is non-interest bearing, can be repaid at any time without penalty.

On January 1, 2021, the outstanding balance of the CEBA LOC automatically converted to a 2-year interest free term loan ("CEBA Term Loan"). The CEBA Term Loan may be repaid at any time without notice or the payment of any penalty. If 75% of the CEBA Term Loan at the CEBA Term Loan commencement date is repaid on or before December 31, 2022, the repayment of the remaining 25% of such CEBA Term Loan shall be forgiven. If on December 31, 2022, the Company exercises the option for a 3-year term extension, 5% interest during the term extension period will apply on any balance remaining.

9. LOANS PAYABLE - Continued

The Company has recorded the fair value of $19,636 as at April 30, 2020, the initial recognition date of the CEBA LOC using an effective interest rate of 16%. The difference of $20,364 between the fair value and the total amount of CEBA LOC received was recorded as a gain on government grant for the year ended April 30, 2020. During the year ended April 30, 2022, the Company recorded interest accretion expense of $3,965 (2021 - $3,382).

On December 31, 2020, the Company received a second $20,000 CEBA LOC with the Bank of Montreal under the CEBA program. The CEBA LOC is non-interest bearing, can be repaid at any time without penalty, with the same terms as the loan received on April 30, 2020. The Company has recorded the fair value of $7,277 as at December 31, 2020, the initial recognition date of the CEBA LOC using an effective interest rate of 16%. The difference of $12,724 between the fair value and the total amount of CEBA LOC received was recorded as a gain on government grant during the year ended April 30, 2021. During the year ended April 30, 2022, the Company recorded the interest accretion expense of $1,322 (2021 - $397).

The Government of Canada has announced the December 31, 2022 forgiveness repayment date for CEBA loans will be extended to December 31, 2023.

On December 7, 2021, the Company was advanced $240,000 from Commerce for drilling costs on the Niobium Claims Property. The amount is due on December 7, 2022 and is non-interest bearing.

10. SHARE CAPITAL

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

(b) Issued - As of April 30, 2022, there are 101,846,567 common shares issued and outstanding (2021 – 79,474,900).

During the year ended April 30, 2022:

On June 24, 2021, the Company completed a non-brokered private placement, issuing 6,800,000 non-flow-through units (each, a “NFT Unit”) at a price of $0.05 per NFT Unit for gross proceeds of $340,000. Each NFT Unit consists of one common share of the Company (each, an “NFT Share”) and one non-transferable common share purchase warrant (each, an “NFT Warrant”), with each NFT Warrant entitling the holder to purchase one NFT Share for a period of three years following the closing of the offering (the “Closing”) at an exercise price of $0.075 per NFT Share. The Company paid cash finders’ fees of $13,300 and issued an aggregate of 257,833 broker warrants to certain finders. Each broker warrant is exercisable into one non-flow through common share at an exercise price of $0.075 per broker warrant until June 24, 2024. The value allocated to the broker warrants was $7,415.

On June 24, 2021, the Company completed a non-brokered private placement, issuing 5,696,667 flow-through shares (“FT Share”) at a price of $0.06 per FT Share for gross proceeds of $341,800. Each FT Share was issued on a “flow-through” basis pursuant to the Income Tax Act (Canada).

On December 24, 2021, the Company completed a non-brokered private placement issuing 1,575,000 units (each, an “NFT Unit”) at a price of $0.05 per NFT Unit for gross proceeds of $78,750 (the “NFT Offering”), and 8,300,000 shares (each, an “FT Share”) at a price of $0.05 per FT Share for gross proceeds of $415,000 (the “FT Offering”). Each NFT Unit consists of one common share of the Company (each, an “NFT Share”) and one non-transferable common share purchase warrant (each, an “NFT Warrant”), with each NFT Warrant entitling the holder to purchase one NFT Share for a period of three years following the closing of the NFT Offering (the “Closing”) at an exercise price of $0.075 per NFT Share. Each FT Share will be issued on a “flow-through” basis pursuant to the *Income Tax Act* (Canada) (each, an “FT Share”). The Company paid cash finder’s fees of $20,000 and issued an aggregate of 400,000 broker warrants to a certain finder. Each broker warrant is exercisable into one non-flow-through common share at an exercise price of $0.075 per non-flow-through common share until December 24, 2024. The value allocated to the broker warrants was $9,856.

Expressed in Canadian Dollars

10. SHARE CAPITAL – Continued

During the year ended April 30, 2021:

On December 23, 2020, the Company completed a non-brokered private placement (the "Offering"), issuing 6,014,500 non flow through units (each, a "NFT Unit") at a price of $0.05 per NFT Unit for gross proceeds of $300,725. Each NFT Unit consisted of one common share of the Company (each, an "NFT Share") and one non-transferable common share purchase warrant (each, an "NFT Warrant"), with each NFT Warrant entitling the holder to purchase one NFT Share for a period of three years following the closing of the Offering (the "Closing") at an exercise price of $0.075 per NFT Share in the first year and at an exercise price of $0.15 per NFT Share for the remaining two years. The value allocated to the warrants was $60,145. A total of 8,700,000 flow-through shares (each, a "FT Share") were issued at a price of $0.05 per FT Share for gross proceeds of $435,000. Each FT Share was issued on a "flow-through" basis pursuant to the *Income Tax Act* (Canada). The Company paid cash finder's fees of $19,600 to a certain finder.

On December 31, 2020, the Company completed a second and final tranche of the Offering, issuing a total of 1,345,000 FT Shares for gross proceeds of $67,250. Each FT Share was issued on a "flow-through" basis pursuant to the *Income Tax Act* (Canada). The Company paid cash finder's fees of $4,580 to a certain finder. An additional $10,950 was incurred in share issuance costs related to the filing costs and legal fees for the Offering.

(c) Warrants

Warrant transactions and the number of warrants outstanding are summarized as follows:

	2022		**2021**	
	Number of Warrants	Exercise Price	Number of Warrants	Exercise Price
Outstanding, beginning of year	6,196,100	$0.075*	18,980,020	$0.10
Granted	9,032,833	$0.075	6,106,100	$0.075*
Expired	(90,000)	$0.10	(18,890,020)	$0.10
Outstanding, end of year	15,138,933	$0.105	6,196,100	$0.075*

*$0.075 in year 1, $0.15 in years 2 and 3

The following warrants were outstanding and exercisable as at April 30, 2022:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (Years)	Number of Warrants Outstanding and Exercisable
December 31, 2023**	$0.15	1.65	91,600
December 23, 2023	$0.15	1.67	6,014,500
June 24, 2024	$0.075	2.15	6,800,000
June 24, 2024**	$0.075	2.15	257,833
December 24, 2024	$0.075	2.65	1,575,000
December 24, 2024**	$0.075	2.65	400,000
Total		**2.02**	**15,138,933**

**indicates broker warrants

During the year ended April 30, 2022, 90,000 warrants priced at $0.10 expired unexercised.

Expressed in Canadian Dollars

10. SHARE CAPITAL – Continued

(d) Options

The Company has a stock option plan in place under which it is authorized to grant options of up to 10% of its outstanding shares of the Company, being 6,341,540 to officers, directors, employees and consultants. The exercise price of each option is to be determined by the Board of Directors, but shall not be less than the discounted market price as defined by the TSX Venture Exchange. The expiry date for each option should be for a maximum term of five years. Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately. Options granted to investor relations consultants vest according to TSX Venture Exchange policy. There are currently 5,225,000 (2021 – 5,225,000) stock options outstanding.

Option transactions and the number of options outstanding and exercisable are summarized as follows:

	2022		**2021**	
	Number of Options	Exercise Price	Number of Options	Exercise Price
Outstanding, beginning of year	5,225,000	$0.05	5,225,000	$0.05
Outstanding, end of year	5,225,000	$0.05	5,225,000	$0.05

The following options were outstanding and exercisable as April 30, 2022:

Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (Years)	Number of Options Outstanding and Exercisable
February 6, 2025	$0.05	2.78	5,225,000

11. RELATED PARTY TRANSACTIONS AND BALANCES

The Company incurred the following transactions during the years ended April 30, 2022 and 2021:

Key Management Compensation	**2022**	**2021**
Salaries and consulting fees	$ 96,000	$ 96,000

The transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. As at April 30, 2022 and 2021, there was $nil due from/(to) the related parties of the Company.

12. CAPITAL MANAGEMENT

The Company's objective when managing capital is to safeguard the entity's ability to continue as a going concern. The capital structure of the Company consists of equity, comprising share capital, net of accumulated deficit. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to meet its daily operating expenses. 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. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the years ended April 30, 2022 and 2021. The Company is not subject to externally imposed capital requirements.

13. FINANCIAL INSTRUMENTS

Fair Value

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.

At April 30, 2022 and 2021, the Company's marketable securities were measured at FVTPL and are using Level 1 inputs.

The Company's other financial assets and liabilities measured at amortized cost, including cash, receivables (excluding tax receivables) and accounts payable and accrued liabilities, the fair values of these financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

The fair value of the Company's loans payable were measured at the initial recognition date using Level 2 inputs.

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

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company ensures that there is sufficient working capital to fund its ongoing operating expenditures, after taking into account cash flows from operations and the Company's holdings of cash. As at April 30, 2022, the Company had working capital of $403,016 (2021 - $551,662).

Expressed in Canadian Dollars

14. COMMITMENTS

On June 1, 2017, the Company entered into a Management & Administration Agreement ("Agreement") with Zimtu Capital Corp. ("Zimtu"). Under the terms of the Agreement, Zimtu will provide the Company with administrative and managerial services, including corporate maintenance, continuous disclosure services, rent, and office space, at a rate of $12,500 per month. The Agreement has been continually renewed each year. The agreement expiring November 30, 2021 was renewed on December 1, 2021 for a further twelve months.

On December 15, 2020, the Company signed an agreement with Zimtu Capital Corp. whereas Zimtu will provide services under the ZimtuADVANTAGE program. The Company paid $140,000 up front for the initial 12-month term and expenses it on a monthly basis. Upon expiry, the program was not renewed.

15. LIABILITY AND INCOME TAX EFFECT ON FLOW-THOUGH SHARES

Funds raised through the issuance of flow-through shares are required to be expended on qualified Canadian mineral exploration expenditures, as defined pursuant to Canadian income tax legislation. The flow-through gross proceeds, less the qualified expenditures made to date, represent the funds received from flow-through share issuances that have not been spent.

On December 23, 2020, the Company issued 8,700,000 common shares on a "flow-through" basis at a price of $0.05 per share for gross proceeds of $435,000(Note 10(b)). At April 30, 2022, the Company has incurred $435,000 qualified expenditures. The flow-through proceeds were renounced under the Look-back Rule on December 31, 2020 and the expenditures were all incurred prior to December 31, 2021.

On December 31, 2020, the Company issued 1,345,000 common shares on a "flow-through" basis at a price of $0.05 per share for gross proceeds of $67,250 (Note 10(b)). At April 30, 2022, the Company has incurred $67,250 qualified expenditures. The flow-through proceeds were renounced under the Look-back Rule on December 31, 2020 and the expenditures were incurred prior to December 31, 2021.

On June 24, 2021, the Company issued 5,696,667 common shares on a "flow-through" basis at a price of $0.06 per share for gross proceeds of $341,800 (Note 10(b)). At April 30, 2022, the Company has incurred $341,800 qualified expenditures. The flow-through proceeds were renounced as of December 31, 2021 and all the expenditures have been incurred as of December 31, 2021.

On December 24, 2021, the Company issued 8,300,000 common shares on a "flow-through" basis at a price of $0.05 per Share for gross proceeds of $415,800 (Note 10(b)). At April 30, 2022, the Company has incurred $20,610 qualified expenditures. The flow-through proceeds were renounced as of December 31, 2021 and the remaining expenditures will be incurred prior to December 31, 2022.

	Issued on December 23, 2020	Issued on December 31, 2020	Issued on June 24, 2021	Issued on December 24, 2021	Total
Balance, April 30, 2020	$ -	$ -	$ -	$ -	$ -
Liability incurred on flow-through shares issued	87,000	6,725	-	-	93,725
Settlement of flow-through share liability on incurred expenses	-	-	-	-	-
Balance, April 30, 2021	$ 87,000	$ 6,725	$ -	$ -	$ 93,725
Liability incurred on flow-through shares issued	-	-	85,450	83,000	168,450
Settlement of flow-through share liability on incurred expenses	(87,000)	(6,725)	(85,450)	(4,122)	(183,297)
Balance, April 30, 2022	$ -	$ -	$ -	$ 78,878	$ 78,878

Expressed in Canadian Dollars

16. GOVERNMENT GRANT

During the year ended April 30, 2021, the Company received $27,342 in Innovation Assistance Program funding from NRC IRAP, which was introduced in response to the COVID – 19 pandemic, providing eligible employers with a subsidy to cover a portion of wage costs paid to eligible employees during prescribed claim periods, as a reduction in the related wage expenses.

17. INCOME TAXES

The following table reconciles the expected income taxes expense (recovery) at the Canadian statutory income tax rates to the amounts recognized in the statements of loss and comprehensive loss for the years ended April 30, 2022 and 2021:

	2022	2021
	$	$
Net loss before tax	(269,295)	(352,775)
Statutory tax rate	26.75%	26.75%
Expected income tax (recovery)	(72,036)	(94,367)
Non-deductible items	298,490	13,135
Share Issuance costs	(17,925)	(9,915)
Change in deferred tax asset not recognized	208,529	91,147
Flow-through share recovery	(183,297)	-
Total tax expense (recovery)	(183,297)	-

Deferred taxes reflect the tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their corresponding values for tax purposes.

	2022	2021
	$	$
Non-capital losses	1,076	2,490
Loan payable	(1,076)	(2,490)
Net deferred tax assets (liabilities)	-	-

The unrecognized deductible temporary differences at April 30, 2022 and 2021 are as follows:

	2022	2021
	$	$
Exploration and evaluation assets	2,302,205	3,143,659
Cumulative eligible capital	1,061	1,061
Financing cost	93,680	78,279
Marketable securities	79,722	33,055
Non-capital losses carry forwards	3,148,930	3,034,113
Total unrecognized deductible temporary differences	5,625,598	6,290,167

Expressed in Canadian Dollars

17. INCOME TAXES - Continued

As at April 30, 2022, the Company has not recognized a deferred tax asset in respect of non-capital loss carry forwards of $3,148,930 (2021: $3,034,113) which may be carried forward to apply against future year income tax for Canadian income tax purposes, subject to the final determination by taxation authorities, expiring in the following years:

Expiry	$
2026	97,417
2027	154,945
2028	149,917
2029	218,608
2030	89,660
2032	95,161
2033	90,645
2034	76,905
2035	187,410
2036	78,472
2037	120,953
2038	325,066
2039	587,378
2040	419,034
2041	371,851
2042	85,508
TOTAL	3,148,930