NORTHERN LIGHTS RESOURCES CORP.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited – Prepared by Management)

(Expressed in Canadian Dollars)

OCTOBER 31, 2021

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Canada

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

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

NORTHERN LIGHTS RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
AS AT,

	October 31, 2021	April 30, 2021
ASSETS		
Current		
Cash	$ 677,676	$ 427,820
Receivables	11,825	19,587
Prepaid expenses	54,765	52,667
	744,266	500,074
Exploration and evaluation assets (Note 3)	2,034,001	1,611,790
	$ 2,778,267	$ 2,111,864
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities (Note 4 and 7)	$ 94,722	$ 131,133
Convertible security (Note 5)	499,394	-
	594,116	131,133
Shareholders' equity		
Share capital (Note 6)	8,025,123	7,729,758
Share-based payment reserve (Note 6)	1,177,820	983,993
Subscriptions receivable (Note 6)	(34,930)	(34,930)
Convertible security - equity portion (Note 5)	118,551	-
Deficit	(7,102,413)	(6,698,090)
	2,184,151	1,980,731
	$ 2,778,267	$ 2,111,864

Nature and continuance of operations (Note 1)

On behalf of the Board:

"Albert (Rick) Timcke" Director "Jason Bahnsen" Director

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

NORTHERN LIGHTS RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Three months period ended October 31, 2021	Three months period ended October 31, 2020	Six months period ended October 31, 2021	Six months period ended October 31, 2020
EXPENSES				
Consulting fees	$ -	$ 29,608	$ -	$ 32,108
Filing and regulatory fees	18,574	45,011	27,542	47,523
Foreign exchange	2,627	499	(25,715)	794
Interest expenses (Note 5)	59,659	-	96,621	-
Management fees (Note 7)	45,000	45,000	90,000	90,000
Office and miscellaneous	15,203	12,680	27,004	17,129
Professional fees (Note 7)	20,210	38,247	28,840	44,497
Promotion and advertisement	55,001	28,033	109,939	70,664
Share based compensation (Note 6)	16,251	41,247	44,427	102,924
Travel and accommodation	3,311	3,120	5,665	12,740
Loss and comprehensive loss for the period	$ (235,836)	$ (243,445)	$ (404,323)	$ (418,379)
Basic and diluted loss per common share	$ (0.00)	$ (0.00)	$ (0.00)	$ (0.01)
Weighted average number of common shares outstanding	108,324,359	99,239,469	108,297,514	81,890,062

NORTHERN LIGHTS RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)

	Number of shares	Share Capital	Share-based payment reserve	Subscriptions receivable	Subscriptions received in advance	Deficit	Convertible security - equity portion	Total Shareholders' Equity
April 30, 2020	64,540,654	$ 5,841,457	$ 539,200	$ -	$ 5,000	$ (5,781,179)	$ -	$ 604,478
Private placements	43,730,014	2,186,501	-	-	(5,000)	-	-	2,181,501
Share issuance costs - cash	-	(121,200)	-	-	-	-	-	(121,200)
Share issuance costs - broker warrants	-	(177,000)	177,000	-	-	-	-	-
Share-based compensation	-	-	102,924	-	-	-	-	102,924
Loss for the period	-	-	-	-	-	(418,379)	-	(418,379)
October 31, 2020	108,270,668	7,729,758	819,124	-	-	(6,199,558)	-	2,349,324
Private placements	-	-	-	(34,930)	-	-	-	(34,930)
Share-based compensation	-	-	164,869	-	-	-	-	164,869
Loss for the period	-	-	-	-	-	(498,532)	-	(498,532)
April 30, 2021	108,270,668	7,729,758	983,993	(34,930)	-	(6,698,090)	-	1,980,731
Convertible debenture	-	-	-	-	-	-	143,111	143,111
Convertible debenture - transaction costs	3,122,743	187,365	149,400	-	-	-	-	336,765
Convertible debenture converted	1,800,000	108,000	-	-	-	-	(24,560)	83,440
Share-based compensation	-	-	44,427	-	-	-	-	44,427
Loss for the period	-	-	-	-	-	(404,323)	-	(404,323)
October 31, 2021	113,193,411	$ 8,025,123	$ 1,177,820	$ (34,930)	$ -	$ (7,102,413)	$ 118,551	$ 2,184,151

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

NORTHERN LIGHTS RESOURCES CORP.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited – Prepared by Management)
(Expressed in Canadian Dollars)
FOR THE SIX MONTHS ENDED OCTOBER 31,

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (404,323)	$ (418,379)
Non-cash items:		
Share based compensation	44,427	102,924
Accretion interest on convertible security	96,621	-
Changes in non-cash working capital items:		
Receivables	7,762	(4,662)
Prepaid expenses	(2,098)	(57,500)
Accounts payable and accrued liabilities	(36,411)	(241,936)
Net cash used in operating activities	(294,022)	(619,553)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation expenditures	(422,211)	(200,466)
Net cash used in investing activities	(422,211)	(200,466)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements	-	2,111,196
Share issuance costs	-	(121,200)
Loan proceed (repayment)	-	(30,000)
Proceeds from convertible debenture	966,089	-
Net cash provided by financing activities	966,089	1,959,996
Change in cash for the period	249,856	1,139,977
Cash, beginning of period	427,820	6,236
Cash, end of period	$ 677,676	$ 1,146,213
SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS		
Convertible debenture – transaction costs	$ 479,876	$ -
Convertible debenture converted	$ 108,000	$ -
Subscription receivables	$ -	$ 70,305
Fair value of broker warrants	$ -	$ 177,000

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Northern Lights Resources Corp. (the "Company") was incorporated under the laws of British Columbia on March 28, 2007. The Company's principal business activities include the acquisition and exploration of resource properties. On June 28, 2012, the Company completed its initial public offering ("IPO") by way of prospectus, and a listing on the Canadian Securities Exchange ("CSE"). On February 1, 2021 the Company received DTC and Blue Sky clearance trading on the OTC QB under the symbol "NLRCF".

The Company has incurred losses since inception, and will require additional funds to maintain its activities for the upcoming fiscal year. The Company's ability to continue as a going concern is therefore dependent on its ability to raise additional funds through equity issuances. These material uncertainties may cast significant doubt on the entity's ability to continue as a going concern.

These condensed interim consolidated financial statements have been prepared on a 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 for the foreseeable future. The continuing operations of the Company are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. The condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of recorded assets and liabilities that might be necessary should the Company be unable to continue as a going concern.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been recorded at fair value. The condensed interim consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiaries.

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

The policies applied in these condensed interim consolidated financial statements are presented below and are based on IFRS issued and outstanding as of October 31, 2021. Any subsequent changes to IFRS that are given effect in our annual consolidated financial statements for the year ending April 30, 2022 could result in restatements of these condensed interim consolidated financial statements. None of these standards are expected to have a significant effect on the condensed interim consolidated financial statement.

The Board of Directors approved these condensed interim consolidated financial statements on December 22, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Basis of consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Secret Pass LLC, a company incorporated under the laws of Arizona, USA, and Rudy Valley Minerals, a company incorporated under the laws of Nevada. At October 31, 2021, the principal activity of the Company's subsidiaries was that of holding companies. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity as to obtain benefits from its activities. All inter-company transactions and balances have been eliminated upon consolidation.

Comprehensive income

Comprehensive income (loss) reflects the net gain (loss) and other comprehensive income (loss) for the period. Other comprehensive income (loss) includes changes in unrealized foreign currency translation amounts arising from self-sustaining foreign operations, unrealized gains and losses on available-for-sale assets and changes in the fair value of derivatives designated as cash flow hedges to the extent they are effective.

Equipment

Equipment is recorded at cost less accumulated amortization. Amortization is provided on a declining balance basis at 20% per annum for furniture and equipment. The equipment was fully amortized during the year ended April 30, 2021.

Estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

<u>Significant Judgments</u>

a. Economic recoverability and probability of future benefits of exploration and evaluation costs

   Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessment of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, the quality and capacity of existing infrastructure facilities, evaluation of permitting and environmental issues and local support for the project.

b. Deferred taxes

   The Company recognizes the deferred tax benefit related to deferred income and resource tax assets to the extent recovery is probable. Assessing the recoverability of deferred tax assets requires management to make significant estimates of future taxable profit. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions from deferred income and resource tax assets.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Estimates and judgments (cont'd…)

Significant Estimates

a. Share-based payments

Share-based payments are determined using the Black-Scholes option pricing model based on the estimated fair value of all share-based awards at the date of grant and is expensed to the statement of loss and comprehensive income (loss) over each award's vesting period. The Black-Scholes option pricing model utilizes subjective assumptions such as expected price volatility and expected life of the option. Changes in these input assumptions can significantly affect the fair value estimate.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the Company is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in International Accounting Standard ("IAS") 21, *The Effects of Changes in Foreign Exchange Rates.*

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the consolidated statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are reflected in profit or loss for the period.

Loss per share

The Company computes the dilutive effect of options, warrants and similar instruments. Under this method the dilutive effect on loss per share is based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. Basic loss per common share is calculated using the weighted average number of common shares outstanding during the period.

Exploration and evaluation assets

Upon acquiring the legal right to explore an exploration and evaluation asset, costs related to acquisition, exploration and evaluation are capitalized by property. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their net realizable value.

Any option payments received by the Company from third parties or tax credits refunded to the Company are credited to the capitalized cost of the exploration and evaluation assets. If payments received exceed the capitalized cost the excess is recognized as income in the year received. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Impairment

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a 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. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment 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.

Convertible securities

The host debt liability, equity conversion feature and other (when applicable) components of convertible securities are presented separately on the consolidated statement of financial position, starting from initial recognition. The Company determines the carrying amount of the financial liability by discounting the stream of future payments at the prevailing market rate for a similar liability of comparable credit status and providing substantially the same cash flows. The liability component is then increased by accretion of the discounted amounts to reach the face value of the convertible notes at maturity which is recorded in profit or loss as accretion expense.

The carrying amount of other components (when applicable), such as warrants, is determined using the Black Scholes option pricing model. The carrying amount of the equity component is calculated by deducting the carrying amount of the financial liability and the carrying amounts of any other components (when applicable) from the amount of the convertible securities, and is presented in equity as an equity component of convertible securities. The equity component is not remeasured subsequent to initial recognition, except on conversion or expiry.

The transaction costs are allocated between liability, equity and other (when applicable) components, on a pro-rata basis according to their carrying amounts

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as mining assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to mining assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit and loss for the year.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital.

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

Income taxes

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 period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded 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 loss; nor differences relating to investments in subsidiaries 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 statement of financial position date.

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 taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial Instruments

Financial assets and financial liabilities are recognized on the consolidated statements of financial position when the Company becomes a party to the contractual provisions of the financial instrument.

The following is the Company's accounting policy for financial instruments under IFRS 9:

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.

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 consolidated statements of loss and comprehensive 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 consolidated statements of loss and comprehensive loss in the period in which they arise.

Debt investments at FVOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES (cont'd…)

Financial Instruments (cont'd…)

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 consolidated statements of loss and comprehensive 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.

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.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

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

Asset or liability	Category	Measurement
Cash	FVTPL	Fair value
Receivables	Amortized cost	Amortized cost
Accounts payable	Amortized cost	Amortized cost
Loans payable	Amortized cost	Amortized cost

Leases

Except for short term leases and leases of low-value assets, the Company (i) recognizes 'right-of-use' assets and lease liabilities in the consolidated statements of financial position, initially measured at the present value of future lease payments discounted at the incremental borrowing rate; (ii) recognizes depreciation of right-of-use assets and interest on lease liabilities in profit or loss.

(Expressed in Canadian Dollars)

3. EXPLORATION AND EVALUATION ASSETS

	Secret Pass	Medicine Springs	Total
Acquisition Costs:			
Balance at April 30, 2020	$ 581,549	$ 170,122	$ 751,671
Cash	33,500	63,908	97,408
Others	-	91,245	91,245
Balance at April 30, 2021 and October 31, 2021	615,049	325,275	940,324
Deferred Exploration Costs:			
Balance at April 30, 2020	6,355	192,420	198,775
Assay	39,713	-	39,713
Consulting	150,037	38,925	188,962
Drilling	18,412	-	18,412
Field work	225,604	-	225,604
Balance at April 30, 2021	440,121	231,345	671,466
Assay	1,527	-	1,527
Consulting	5,250	-	5,250
Drilling	116,451	-	116,451
Field work	298,983	-	298,983
Balance at October 31, 2021	862,332	231,345	1,093,677
Total	$ 1,477,381	$ 556,620	$ 2,034,001

Medicine Springs

The Company entered into a mineral property option agreement dated August 20, 2017, and amended, to acquire 100% of the property in southeastern Elko County, Nevada.

The Medicine Springs property located on the eastern edge of the Carlin Trend in southeastern Elko County, consists of 149 unpatented Federal mineral claims.

The option agreement is a 6 phase exploration agreement. Completion of all of the phases under the agreement is subject to staged cash payments of $950,000, equity consideration of USD $250,000 and incurring exploration expenditures of USD $2,700,000. The agreement was amended in July 2020 to extend certain due dates.

The Company has the option to proceed with each subsequent Phase in the Option Agreement upon the completion of all cash and equity consideration payments to the vendors in addition to meeting the minimum exploration expenditure payments defined for each Phase of the Option Agreement.

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

Medicine Springs (cont'd…)

i) Cash payments
   a) Phase 1B - USD $25,000 within 30 days of receipt of regulatory approval (paid).
   b) Phase 2 - USD $50,000 by December 31, 2020 ("Phase 2 Commencement Date") (paid).
   c) Phase 3 - USD $100,000 by December 31, 2021 ("Phase 3 Commencement Date").
   d) Phase 4 - USD $150,000 within 30 days of completion of all phase 3 requirements ("Phase 4 Commencement Date").
   e) Phase 5 - USD $200,000 within 30 days of completion of all phase 4 requirements ("Phase 5 Commencement Date").
   f) Phase 6 - USD $425,000 within 30 days of completion of all phase 5 requirements ("Phase 6 Commencement Date").

ii) Share issuance
   a) Phase 2 - issuance of common shares with a value of USD $50,000 by December 31, 2020 (issued 1,330,650 common shares fair valued at $33,266) (Note 7).
   b) Phase 3 - issuance of common shares with a value of USD $50,000 by December 31, 2021.
   c) Phase 4 - issuance of common shares with a value of USD $50,000 after the Phase 4 Commencement Date.
   d) Phase 5 - issuance of common shares with a value of USD $50,000 after the Phase 5 Commencement Date.
   e) Phase 6 - issuance of common shares with a value of USD $50,000 after the Phase 6 Commencement Date.

iii) Exploration expenditures
   a) incur USD $25,000 in exploration upon execution of the agreement (incurred).
   b) Phase 1B - incur USD $225,000 by December 31, 2020 (incurred).
   c) Phase 2 - incur USD $300,000 by December 31, 2022.
   d) Phase 3 - incur USD $400,000 by December 31, 2022.
   e) Phase 4 - incur USD $500,000 within 1 year of the Phase 4 Commencement Date.
   f) Phase 5 - incur USD $500,000 within 1 year of the Phase 5 Commencement Date.
   g) Phase 6 - incur USD $750,000 within 1 year of the Phase 6 Commencement Date.

In addition, the property owner will retain a 2.5% NSR. The Company has the option to purchase back 1.5% of the NSR for US$3,000,000 on a portion of the mineral claims (126/149) and US$1,000,000 on a portion of the mineral claims (23/149). The royalty to the project vendors is in addition to a further 0.5% royalty over a portion of the mineral claims (23/149).

The Company entered into a Property Option and Joint Venture Agreement (the "Agreement") dated September 24, 2020 with Reyna Silver Corp. ("Reyna Silver").

Under the terms of the Agreement, Reyna Silver can earn a 75% interest in the Medicine Springs property by assuming and satisfying certain of the Company's commitments in the underlying option agreement dated August 20, 2017. Specifically, by paying US$ 875,000 and incurring exploration expenditures of approximately US $2,400,000 by December 31, 2023. Reyna Silver can earn an additional 5% can be earned by making a cash payment of US $1,000,000 to the Company by no later than December 31, 2023.

Upon completion, the Company and Reyna Silver will jointly own 100% of the Medicine Springs and will establish a joint venture.

(Expressed in Canadian Dollars)

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

Secret Pass Gold Project

During the year ended April 30, 2020, the Company entered into an option agreement, subsequently amended, to acquire a 100% interest in the Secret Pass Gold Project located in northwestern Arizona.

Pursuant to the option agreement, the Company agreed to make the following consideration payments:

a) within 5 working days following the exercise of the option, the Company will pay cash consideration of US$75,000 (paid);
b) within 30 days following the exercise of the option, the Company will issue 2,000,000 common shares (issued and valued at $80,000) (Note 7); and
c) under the terms of the agreement, the Company will make the following additional payments:
    i) US$175,000 on or before September 20, 2019 (paid); and
    ii) US$125,000 on or before November 8, 2019 (paid).

There are no third-party royalty's payable on future production from the project.

4. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	October 31, 2021	April 30, 2021
Trade payables	$ 29,372	$ 65,183
Accrued liabilities	65,350	65,950
	$ 94,722	$ 131,133

5. CONVERTIBLE SECURITY

On June 4, 2021, the Company issued an unsecured zero-coupon non-redeemable convertible security in the principal amount of $1,074,810 (US $890,000) for a purchase price of $966,089 (US$800,000). The security is zero coupon or interest and matures two years from the date of issuance. The holder can convert the security into one common share at a price of $0.06 per share ("Conversion Price"), subjected to a mandatory 100% conversion when certain conditions are satisfied.

The Company used the residual value method to allocate the principal amount of the $966,089 between the liability and equity components. Under this method, the value of the equity component of $143,111 was determined by deducting the fair value of the liability component of $486,213 from the face value of the security net of transaction costs. The fair value of the liability component was computed as the present value of the future principal payment discounted at a market rate of 20% per annum. On conversion of the security, the equity portion is transferred to share capital.

In the event that the prevailing share price, at the time a conversion is greater than the Conversion Price, the Company may elect to reduce the number of common shares issuable in that conversion by utilizing the prevailing share price as the conversion price instead of the Conversion Price. The "prevailing share price" will be determined by the investor as 85% of the average of five daily volume-weighted average prices of the common shares on the Canadian Stock Exchange ("CSE") during 20 consecutive trading days immediately prior to the date of the notice of conversion, rounded down to one tenth of a cent if the prevailing share price is less than $0.20, or half a cent if the prevailing share price is greater than $0.20.

(Expressed in Canadian Dollars)

5. **CONVERTIBLE DEBENTURE** (cont'd…)

Alternatively, in the event that the prevailing share price is less than the Conversion Price, the conversion will occur at the Conversion Price, and the Company will pay the investor an amount equal to the value of shares foregone as a result of the conversion price being the Conversion Price rather than the prevailing share price. The Company may elect to make this payment in common shares in lieu of cash, in its sole discretion. The Company will have a cash repayment right in relation to any conversion so that, instead of issuing conversion shares, the Company may, at its option, make a payment to the holder equal to the number of common shares that would have otherwise been issued in the conversion multiplied by the greater of the Conversion Price, the prevailing Share price, and the market value of the shares at that time

In connection with the convertible security, the Company paid issuance costs of 3,122,743 common shares (valued at $187,365) and 2,800,000 broker's warrants valued at $149,400. Each broker's warrant entitling the holder to purchase one common share exercisable at the price of $0.068509 until June 4, 2025. During the period ended October 31, 2021, the Company recorded accretion of interest of $36,962 for the security.

During the period ended October 31, 2021, the Company issued 1,800,000 common shares valued at $108,000 pursuant to the conversion of the security in settlement of liabilities of $108,000, of which $83,440 was deducted from the liability portion, and accordingly, the Company reallocated $24,560 of convertible security equity portion to share capital.

	Liability	*Equity*	*Total*
Balance April 30, 2021	$ -	$ -	$ -
Issuance of convertible security	746,396	219,693	966,089
Issuance costs – common shares	(144,757)	(42,608)	(187,365)
Issuance costs - warrants	(115,426)	(33,974)	(149,400)
Accretion of interest	96,621	-	96,621
Conversion to 1,800,000 common shares	(83,440)	(24,560)	(108,000)
Balance October 31, 2021	$ 499,394	$ 118,551	$ 617,945

6. **SHARE CAPITAL**

Authorized: Unlimited common shares, without par value

During the period ended October 31, 2021, the Company:

i) issued 3,122,743 common shares valued at $187,365 as transaction costs for the convertible security.

ii) issued 1,800,000 common shares valued at $108,000 pursuant to the exercise of the convertible security in settlement of $83,440, and accordingly, the Company reallocated $24,560 of convertible security – equity portion to share capital (Note 5).

(Expressed in Canadian Dollars)

6. **SHARE CAPITAL** (cont'd…)

During the year ended April 30, 2021, the Company completed a non-brokered private placement of 43,730,014 units at a price of $0.05 per unit for gross proceeds of $2,186,501, of which $34,930 is recorded in subscriptions receivable. Each unit consists of one common share and one full share purchase warrant. Each warrant is exercisable into one common share at a price of $0.075 per share until August 19, 2022. The Company paid cash finder's fees of $121,200 and issued 2,144,000 broker warrants valued at $177,000, as estimated using the Black Scholes option pricing model assuming an expected life of 2.00 years, volatility of 305.06%, risk free rate of 0.29%, and no expected dividends or forfeitures. Each broker warrant is exercisable into one common share at a price of $0.075 per share until August 19, 2022.

Stock options

The Company has a stock option plan in place under which it is authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option will not be less than the market price of the Company's stock as calculated on the date of grant. The options can be granted for a maximum term of 5 years.

A summary of changes in stock options is as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding as at April 30, 2020	2,550,000	$ 0.10
Granted	6,404,065	0.06
Outstanding as at April 30, 2021 and October 31, 2021	8,954,065	$ 0.07

As at October 31, 2021, the following options were outstanding and exercisable:

Number of Options	**Exercise Price**	**Expiry Date**	**Exercisable**
2,550,000	$ 0.10	November 7, 2023	2,550,000
3,904,065	$ 0.05	July 23, 2025	3,904,065
2,000,000	$ 0.07	December 10, 2025	1,500,000
500,000	$ 0.07	January 13, 2026	500,000
8,954,065			8,454,065

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (cont'd…)

Stock options (cont'd…)

During the year ended April 30, 2021, the Company:

i) granted 3,904,065 stock options to directors, officers and consultants of the Company, exercisable at a price of $0.05 per share, expiring on July 23, 2025. 2,304,065 options vested at grant date. A quarter of the e remaining 1,600,000 options vest starting 3 months after grant date and every 3 months thereafter. The estimated fair value of these options was $150,500, of which the Company recorded $145,390 (2020 - $Nil) in share-based compensation during the year ended April 30, 2021. The Company recorded $5,110 in share-based compensation during the period ended October 31, 2021.

ii) granted 2,000,000 stock options to directors, officers and consultants of the Company exercisable at a price of $0.07 per share, expiring December 10, 2025. A quarter of the options vest 3 months after grant date and a quarter every 3 months thereafter. The estimated fair value of these options was $135,900, of which the Company recorded $90,903 (2020 - $Nil) in share-based compensation during the year ended April 30, 2021. The Company recorded $39,317 in share-based compensation during the period ended October 31, 2021.

iii) granted 500,000 stock options exercisable at a price of $0.07 per share, expiring January 13, 2026. The options vested immediately. The estimated fair value of these options was $31,500, and was recorded in share-based compensation during the year ended April 30, 2021.

The following weighted average assumptions were used for the Black-Scholes valuation of stock options granted during the period ended October 31:

	2021	**2020**
Risk-free interest rate	-	0.24%
Expected life of options	-	5.00 years
Expected annualized volatility	-	191.00%
Expected dividend rate	-	0.00%

Warrants

A summary of changes in warrants is as follows:

	Number of Warrants		Weighted Average Exercise Price
Outstanding as at April 30, 2020	27,052,772	$	0.13
Granted	45,874,014		0.075
Expired	(11,005,000)		0.20
Outstanding as at April 30, 20201	61,921,786		0.08
Granted	2,800,000		0.042
Outstanding as at October 31, 2021	64,721,786	$	0.07

(Expressed in Canadian Dollars)

6. SHARE CAPITAL (cont'd…)

Warrants (cont'd…)

As at October 31, 2021, the following warrants were outstanding and exercisable:

Number of Warrants	Exercise Price		Expiry Date
12,627,772	$	0.075	January 20, 2022
43,730,014	$	0.075	August 19, 2022
2,144,000	$	0.075	August 19, 2022
3,420,000	$	0.075	July 4, 2024*
2,800,000	$	0.0685	June 4, 2025
64,721,786			

* amended from July 4, 2021 to July 4, 2024.

7. TRANSACTIONS WITH RELATED PARTIES

The Company defines key management as officers and directors. During the period ended October 31, 2021, the Company:

i) paid or accrued management fees of $45,000 (2020 - $45,000) to a director of the Company.

ii) paid or accrued management fees of $45,000 (2020 - $45,000) to the Chief Executive Officer ("CEO") of the Company.

iii) paid or accrued professional fees of $6,000 (2020 - $6,000) to the Chief Financial Officer ("CFO") of the Company.

iv) recorded share-based compensation of $3,558 (2020 - $57,822) related to options granted to officers and directors of the Company.

Included in accounts payable and accrued liabilities as at October 31, 2021 is $3,150 (April 30, 2021 - $3,057) owed to officers of the Company.

Included in prepaid as at October 31, 2021 is $15,750 (April 30, 2021 - $14,975) owed to an officer and a director of the Company.

8. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has applied a three-level hierarchy to reflect the significance of the inputs used in making fair value measurements. The three levels of 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 assets or liabilities, either directly or indirectly; and
Level 3 – Inputs for assets or liabilities that are not based on observable market data.

The Company's financial instruments consist of cash, receivables, accounts payable and accrued liabilities, and loans payables. The fair value of these financial instruments, other than cash, approximates their carrying values due to the short-term nature of these instruments. Cash is measured at fair value using level 1 inputs.

The Company is exposed to a variety of financial risks by virtue of its activities including currency, credit, interest rate, liquidity and commodity price risk.

a) Currency risk

The Company is exposed to nominal foreign currency risk.

b) Credit risk

Credit risk is risk of financial loss to the Company if the counterparty to a financial statement fails to meet its contractual obligations. The Company's cash is held in large Canadian financial institutions and is not exposed to significant credit risk.

c) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to limited interest rate risk as it only holds non-interest bearing debt.

d) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations as they come due. The Company's ability to continue as a going concern is dependent on management's ability to raise the required capital through future equity or debt issuances. The Company manages its liquidity risk by forecasting cash flows from operations and anticipating any investing and financing activities. Management and the directors are actively involved in the review, planning, and approval of significant expenditures and commitments.

e) Price risk

The ability of the Company to explore and develop its exploration and evaluation assets and the future profitability of the Company are directly related to the price of commodities. The Company monitors these prices to determine the appropriate course of action to be taken.

9. CAPITAL MANAGEMENT

The Company defines capital that it manages as its shareholders' equity. When managing capital, the Company's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and exploration of exploration and evaluation assets. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

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

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company did not change its approach to capital management during the period ended October 31, 2021.

10. SEGMENTED INFORMATION

The Company's primary business activity is the acquisition and exploration of exploration and evaluation assets. Geographic information is as follows:

	October 31, 2021	April 30, 2021
Exploration and evaluation assets		
United States	$ 2,034,001	$ 1,611,790