Red Pine Exploration Inc.

Condensed Interim Consolidated Financial Statements

For the Three and Nine Months Ended April 30, 2023 and 2022

(Expressed in Canadian Dollars)

(Unaudited)

Notice to Reader of Condensed Interim Consolidated 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 consolidated 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.

Red Pine Exploration Inc.
Condensed Interim Consolidated Statements of Financial Position

(Unaudited, expressed in Canadian Dollars)

	Note		April 30, 2023		July 31, 2022
Assets			*(Unaudited)*		*(Audited)*
Current					
Cash		**$**	**319,099**	$	2,824,620
Marketable securities			**2,500**		2,500
Amounts receivable	3		**219,403**		683,885
Prepaid expenses			**100,007**		173,030
Total current assets			**641,009**		3,684,035
Non-current assets					
Restricted cash	4		**315,000**		315,000
Property, plant and equipment	5		**162,420**		275,309
Right of use asset	6		**64,229**		136,374
Total non-current assets			**541,649**		726,683
Total assets		**$**	**1,182,658**	$	4,410,718
Liabilities					
Current					
Accounts payable and accrued liabilities		**$**	**1,442,450**	$	1,526,133
Lease liability	6		**31,599**		110,309
Deferred flow-through premium	10		**-**		35,942
Total current liabilities			**1,474,049**		1,672,384
Total liabilities			**1,474,049**		1,672,384
Shareholders' equity					
Share capital	9		**94,185,475**		88,776,446
Contributed surplus			**9,395,500**		8,953,311
Warrant reserve	9		**360,531**		1,484,684
Accumulated deficit			**(104,232,897)**		(96,476,107)
Total shareholders' equity			**(291,391)**		2,738,334
Total liabilities and shareholders' equity		**$**	**1,182,658**	$	4,410,718

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

Nature of operations and going concern (note 1)
Basis of preparation (note 2)
Commitments (note 10)
Subsequent events (note 12)

Approved on behalf of the board

"Paul Martin" *"Quentin Yarie"*

Red Pine Exploration Inc.
Condensed Interim Consolidated Statements of Comprehensive Loss

(Unaudited, expressed in Canadian Dollars)

		Three months ended April 30		Nine months ended April 30	
	Note	**2023**	2022	**2023**	2022
Expenses					
Depreciation and amortization	5,6	**$ 80,812**	$ 79,479	**$ 238,482**	$ 253,835
Gain on disposal of equipment	5	**-**	-	**-**	(30,626)
Exploration expenditures	7	**1,666,924**	3,603,629	**6,160,554**	7,904,100
Exploration property sale proceeds	7	**-**	-	**-**	(1,050,000)
Foreign exchange loss (gain)		**(350)**	47	**(810)**	514
General and administrative		**164,662**	270,213	**618,635**	754,990
Interest (income)		**(13,740)**	(26,056)	**(38,455)**	(25,359)
Lease accretion	6	**894**	2,752	**4,105**	8,357
Payroll and professional fees		**252,165**	163,173	**837,096**	541,378
Share-based compensation	9	**110,965**	181,951	**442,189**	451,034
Total expense		**2,262,332**	4,275,188	**8,261,796**	8,808,223
Other (income)					
Flow-through share premium	10	**-**	(720,252)	**(505,006)**	(1,581,548)
Total other (income)		**-**	(720,252)	**(505,006)**	(1,581,548)
Net loss and comprehensive loss		**$ (2,262,332)**	$ (3,554,936)	**$ (7,756,790)**	$ (7,226,675)
Basic and diluted loss per share		**$ (0.02)**	$ (0.03)	**$ (0.06)**	**$ (0.07)**
Weighted average number of common shares outstanding		**136,862,319**	117,442,720	**132,594,275**	107,983,743

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

Red Pine Exploration Inc.
Condensed Interim Consolidated Statements of Cash Flows
(Unaudited - expressed in Canadian Dollars)

	Three months ended April 30		Nine months ended April 30	
	2023	2022	**2023**	2022
Operations				
Net loss and comprehensive loss	**$ (2,262,332)**	$ (3,554,936)	$ (7,756,790)	$ (7,226,675)
Adjustments for non-cash items:				
Depreciation and amortization	**80,812**	79,479	238,482	253,835
Change in deferred flow-through premium	**-**	(720,252)	(505,006)	(1,581,548)
Gain on disposal of assets	**-**	-	-	(30,626)
Foreign exchange loss	**-**	514	-	514
Lease accretion	**894**	2,752	4,105	8,357
Stock-based compensation	**110,965**	181,951	442,189	451,034
	(2,069,661)	(4,010,490)	(7,577,020)	(8,125,109)
Net changes in non-cash working capital				
Amount receivable	**(18,407)**	(276,855)	464,482	(317,594)
Prepaid expenses	**17,308**	309,405	73,023	556,369
Accounts payable and accrued liabilities	**538,337**	409,471	(83,683)	769,074
Payment of asset retirement obligations	**-**	(240,000)	-	(290,000)
Net cash used in operating activities	**(1,532,423)**	(3,808,471)	(7,123,198)	(7,407,260)
Investing activities				
Building and equipment additions	**-**	-	(53,448)	(475,825)
Building and equipment disposal proceeds	**-**	-	-	30,626
Net cash used in investing activities	**-**	-	(53,448)	(445,199)
Financing activities				
Proceeds from private placements	**-**		5,518,160	8,400,405
Proceeds from warrant exercises	**-**	-	-	4,299,814
Share issue costs	**-**	-	(764,220)	(613,356)
Lease payments	**(27,605)**	(27,604)	(82,815)	(82,814)
Net cash from (used in) financing activities	**(27,605)**	(27,604)	4,671,125	12,004,049
Net increase (decrease) in cash	**(1,560,028)**	(3,836,075)	(2,505,521)	4,151,590
Cash, beginning of period	**1,879,127**	10,155,019	2,824,620	2,167,354
Cash, end of period	**$ 319,099**	$ 6,318,944	$ 319,099	$ 6,318,944

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

Red Pine Exploration Inc.
Condensed Interim Consolidated Statements of Changes in Equity
As at April 30, 2023 and July 31, 2022

(Unaudited, expressed in Canadian Dollars)

	Number of Shares	Share Capital $	Contributed Surplus $	Warrant Reserve $	Accumulated Deficit $	Shareholders Equity $
Balance, July 31, 2022	**117,442,720**	**88,776,446**	**8,953,311**	**1,484,684**	**(96,476,107)**	**2,738,334**
Net loss for the period	-	-		-	(7,756,790)	(7,756,790)
Share issuance	19,419,599	5,518,160	-	-	-	5,518,160
Fair value of flow through premium	-	(469,064)	-	-	-	(469,064)
Cost of issue	-	(764,220)	-	-	-	(764,220)
Fair value of broker warrants issued	-	(171,953)		171,953	-	-
Share based compensation	-	-	442,189	-	-	442,189
Fair value of warrants expired		1,296,106	-	(1,296,106)	-	-
Balance, April 30, 2023	**136,862,319**	**94,185,475**	**9,395,500**	**360,531**	**(104,232,897)**	**(291,391)**
Balance, July 31 2021	95,919,397	77,965,726	8,353,340	1,888,622	(85,379,340)	2,828,348
Net loss for the period	-	-	-	-	(7,226,675)	(7,226,675)
Private placement	12,923,700	8,400,405	-	-	-	8,400,405
Fair value of flow through premium		(1,680,081)	-	-	-	(1,680,081)
Cost of issue		(613,356)	-	-	-	(613,356)
Fair value of broker warrants issued		(188,827)	-	188,827	-	-
Share based compensation	-	-	451,034	-	-	451,034
Warrants exercised	8,599,623	4,817,683	-	(517,869)	-	4,299,814
Fair value of warrants expired		74,896	-	(74,896)	-	-
Balance, April 30, 2022	**117,442,720**	**88,776,446**	**8,804,374**	**1,484,684**	**(92,606,015)**	**6,459,489**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Red Pine Exploration Inc. (the "Company" or “Red Pine”) was founded in 1936 under the laws of Ontario, Canada for the acquisition, exploration, and development of mining properties. The Company's head office and primary location of its registered records is 145 Wellington Street West, Suite 1001, Toronto, Ontario, M5J 1H8. The Company is currently in the exploration stage and has not commenced any commercial operations.

The accompanying Condensed Interim Consolidated Financial Statements for the three and nine months ended April 30, 2022 and 2021 (the “Financial Statements”) have been prepared on the basis of a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business.

As at April 30, 2023, the Company had cash and cash equivalents of $319,099 (July 31, 2022: $2,824,620) and an accumulated deficit of $104,232,897 (July 31, 2022: $96,476,107) and for the nine months ended April 30, 2023 had net cash used in operating activities of $7,123,198 (nine months ended April 30, 2022: $7,407,260). Cash decreased in the nine months ended April 30, 2023 primarily due to expenditures incurred on the drilling campaign and general corporate purposes, offset by proceeds from the bought deal financing on September 29, 2022. Subsequent to April 30, 2023, the Company completed an equity financing (refer to note 12).

In assessing whether the going concern assumption is appropriate, management considers all available information about the future, which is at least, but not limited to, twelve months from the end of the reporting period. The Company's ability to continue operations and fund its mining interest expenditures is dependent on management's ability to secure additional financing. Management is actively pursuing such additional sources of financing, and while it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future. The Company is currently in the exploration stage and has not identified economically recoverable minerals. These conditions indicate that a material uncertainty exists that may cast significant doubt about the Company’s ability to continue as a going concern.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, unregistered prior agreements, unregistered claims, indigenous claims, and non-compliance with regulatory, environmental and social licensing requirements. The Company’s assets may also be subject to increases in taxes and royalties and renegotiation of contracts.

These Condensed Interim Consolidated Financial Statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and consolidated statement of financial position classifications that may be necessary were the going concern assumption inappropriate, and these adjustments could be material.

The Company may experience business interruptions, expenses and delays relating to COVID-19, which could have a material adverse impact on the Company’s business, operating results, financial condition and the market for its securities. As at the date of these Condensed Interim Consolidated Financial Statements, the duration of potential business disruptions and related financial impact of COVID-19

cannot be reasonably estimated.
Going forward, the Company presently expects fewer COVID-19 related operating issues compared to the years ended July 31, 2022 and 2021.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These Condensed Interim Consolidated Financial Statements have been prepared in accordance with IAS 34, Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). They do not include all information required for annual Financial Statements and should be read in conjunction with the Consolidated Financial Statements of the Company as at and for the year ended July 31, 2022. Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes to the Company's financial position and performance since the last audited annual consolidated financial statements.

The Financial Statements were approved by the Board of Directors on June 22, 2023.

(b) Basis of Measurement

These Condensed Interim Consolidated Financial Statements have been prepared on a historical cost basis, using the accrual basis of accounting, except for certain financial instruments that have been measured at fair value at the end of each reporting period as explained in the accounting policies.

(c) Basis of Consolidation

These Condensed Interim Consolidated Financial Statements include the accounts of the Company and its wholly owned subsidiaries, Augustine Ventures Inc. and Wawa GP Inc. All intercompany balances and transactions have been eliminated.

(d) Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with IFRS requires that management make judgements, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities, profits and expenses. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The effect of a change in an accounting estimate is recognized prospectively by including it in income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

Interim results are not necessarily indicative of the results expected for the financial year. Actual annual results may differ from interim estimates. The accounting policies, including significant judgements made

2. BASIS OF PREPARATION (continued)

by management applied in the preparation of the Condensed Interim Consolidated Financial Statements, are consistent with those applied and disclosed in the Company's audited consolidated financial

statements for the year ended July 31, 2022, except for the change in accounting policy related to flow-through shares described below.

(i) Change in Accounting Policy - Flow-Through Shares

The accounting policy related to Deferred Flow-Through Premium and Flow-Through Provision estimates was changed in the year ended July 31, 2022.

Upon the issuance of flow-through shares ("FT Shares"), the Company records the initial proceeds to share capital, net of tax liability, if any. The flow-through share premium liability on the Condensed Consolidated Interim Statement of Financial Position represents the premium of the financing price in excess of the market share price on the date of the flow-through share financing. As the Company incurs eligible Canadian Exploration Expenditure ("CEE") to meet flow-through requirements, a corresponding flow-through share premium recovery is recognized in the Condensed Interim Consolidated Statement of Comprehensive Loss. In prior consolidated financial statements, the Company deferred the recognition of the flow-through share premium until after the CEE was incurred and renounced.

The retrospective change in accounting policy for the nine months ended April 30, 2022 increased the flow-through share premium earned by $330,380 for the period. The policy change impact on the results for the comparative period of follow:

Consolidated Statement of Loss and Comprehensive Loss	Previously Reported 3 Months Ended October 31, 2021 $	Policy Change Impact $	Adjusted 3 Months Ended October 31, 2021 $
Change in flow-through premium	-	330,380	333,380
Loss and comprehensive Loss	(1,120,574)	330,380	(790,194)

Consolidated Statement of Cash Flow	Previously Reported 3 Months Ended October 31, 2021 $	Policy Change Impact $	Adjusted 3 Months Ended October 31, 2021 $
Loss and comprehensive loss	(1,120,574)	330,380	(790,194)
Change in flow-through premium	-	330,380	330,380
Net cash used in operating activities	(787,133)	-	(787,133)

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting period, that could have an effect on the amounts recognized in the Financial Statements relate to the following:

2. BASIS OF PREPARATION (continued)

(ii) Going Concern

The preparation of the Consolidated Financial Statements requires management to make judgments regarding the going concern of the Company (note 1).

(iii) Share-based Payment Transactions

The Company measures the cost of equity-settled transactions with employees and applicable nonemployees by reference to the fair value of the equity instruments at the date at which they are vested. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the share option, risk-free interest rates, volatility and dividend yield and making assumptions about them. Expected volatility is generally based on the historical volatility of comparable companies. The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 9.

(iv) Deferred Taxes

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all, of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred tax provisions or recoveries could be affected.

3. AMOUNTS RECEIVABLE

		As at April 30, 2023		**As at July 31, 2022**
Harmonized sales tax receivable	$	152,323	$	641,389
Amounts receivable		67,080		42,496
Balance at period end	**$**	**219,403**	$	683,885

Included in amounts receivable is $67,080 (July 31, 2022, $42,496) related to rent, exploration and administrative charges from a company with a shared senior executive.

4. RESTRICTED CASH

The Company is required to provide an environmental bond to the Ontario Government for the Wawa Gold Project.

5. PROPERTY, PLANT AND EQUIPMENT

The following table sets out the changes to the carrying value of buildings and equipment, software licenses and leasehold improvements:

	Buildings and Equipment	Software Licenses	Leasehold Improvements	Total
Cost				
Balance, July 31 2021	$ 136,015	$ 18,204	$ 134,238	$ 288,457
Additions	475,825	-	-	475,825
Disposals	(35,139)	-	-	(35,139)
Balance, July 31, 2022	$ 576,701	$ 18,204	$ 134,238	$ 729,143
Additions	53,448	-	-	53,448
Disposals	-	-	-	-
Balance, April 30, 2023	**$ 630,149**	**$ 18,204**	**$ 134,238**	**$ 782,591**
Accumulated amortization				
Balance, July 31 2021	$ (105,663)	$ -	$ (117,506)	$ (223,169)
Amortization	(230,868)	(18,204)	(16,732)	(265,804)
Disposals	35,139	-	-	35,139
Balance, July 31, 2022	$ (301,392)	$ (18,204)	$ (134,238)	$ (453,834)
Amortization	(166,337)	-	-	(166,337)
Disposals	-	-	-	-
Balance, April 30, 2023	**$ (467,729)**	**$ (18,204)**	**$ (134,238)**	**$ (620,171)**
Net book value, July 31, 2022	$ 275,309	$ -	$ -	$ 275,309
Net book value, April 30, 2023	**$ 162,420**	**$ -**	**$ -**	**$ 162,420**

In the nine months ending April 30, 2022, the Company disposed of a fully depreciated vehicle and received insurance proceeds of $30,626.

6. RIGHT OF USE ASSET AND LEASE LIABILITY

The following table sets out the changes to the carrying value of right of use asset and lease liability:

	Nine months ended April 30, 2023	Year ended July 31, 2022
Right of use asset		
Balance, opening	$ 136,374	$ 232,547
Amortization	(72,145)	(96,173)
Balance, end of period	**$ 64,229**	**$ 136,374**
Lease liability		
Balance, opening	$ 110,309	$ 210,070
Lease accretion	4,105	10,658
Lease payments	(82,815)	(110 419)
Balance, end of period	**$ 31,599**	**$ 110,309**
Current lease liability	**31,599**	**110,309**
Non-current lease liability	**-**	-

On December 12, 2016, the Company signed an office space lease agreement for office space located at 145 Wellington Street West for seven (7) years from January 1, 2017 to December 31, 2023. The Company has future lease payments of $32,034 and a prepaid rent deposit of $41,579, which is included in the right of use asset and amortized over the term of the lease.

7. MINERAL PROPERTIES

The Company has ownership interests in several exploration projects. The Wawa Gold Project is the primary focus of exploration.

The following table summarizes the cumulative exploration and evaluation expenditures the Company has incurred on its mineral properties. The Wawa Gold Project expenditures includes all amounts incurred prior to any prorated recovery from the previous joint-venture partner.

	Wawa Gold Project	Other Properties	Total Properties
Balance, July 31 2021	$ 58,542,351	$ 14,619,860	$ 73,162,211
Property acquisition costs	266,000	-	266,000
Property sales	-	(1,050,000)	(1,050,000)
Exploration expenditures	11,466,316	-	11,466,316
Balance, July 31, 2022	**$ 70,274,667**	**$ 13,569,860**	**$ 83,844,527**
Exploration expenditures	**6,160,554**	**-**	**6,160,554**
Balance, April 30, 2023	**$ 76,435,221**	**$ 13,569,860**	**$ 90,005,081**

7. MINERAL PROPERTIES (continued)

The following table summarizes the exploration expenditures:

	Three months ended April 30		Nine months ended April 30	
Exploration expenditures	**2023**	**2022**	**2023**	**2022**
Camp costs	**$ 220,612**	$ 279,008	**$ 740,128**	$ 501,914
Closure costs, including asset retirement obligations	**-**	27,018	**-**	47,307
Compensation	**585,780**	592,663	**1,699,841**	1,489,355
Drilling, assays and analysis	**719,599**	2,490,986	**3,226,638**	5,076,380
Equipment costs	**73,397**	141,581	**304,639**	534,340
Land management	**67,536**	72,373	**189,308**	254,804
Exploration Expenditures[a]	**$ 1,666,924**	$ 3,603,629	**$ 6,160,554**	$ 7,904,100

[a] *Excludes property acquisitions and sales*

During the nine months ended April 30, 2023, the Company incurred total exploration and evaluation expenditures, of $6,160,554, (nine months ended April 30, 2022: $7,904,100).

On August 20, 2021, the Company sold its Algoma-Talisman property located in Northern Ontario to Newton Gold Corp. (“Newton”) for $1,050,000 in cash, which was payable in two installments. A $550,000 installment was received in August 2021 and the balance was received on October 28, 2021. In addition, Newton granted a net smelter royalty of 1.5% (the “Royalty”) from mineral production on the Property to Red Pine, which can be repurchased by Newton for CAD $500,000.

In May 2022, the Company completed the acquisition of the surface rights for properties, whereby on June 1, 2017 the Company had acquired the mineral rights (the “2017 Agreement”) and entered into a royalty agreement and road access agreement with the same vendor. The properties are identified with Property Identifier Numbers SSM4479, SSM4478, SSM4480 and SSM4481 and are located west of the Surluga Deposit within the Wawa Gold Project. The cash purchase price for the properties, including the cancellation of the royalty agreement and the road access agreement was $266,000.

Wawa Gold Project

The Wawa Gold Project covers over 7,031 hectares (“ha”), including 301 claims covering 4,552 ha.; 17 leases covering 790 ha; and 105 patents covering 1,689 ha. The Wawa Gold Project hosts several former smaller scale mining operations and is located approximately 2 kilometers east of the Town of Wawa in northern Ontario.

On March 30, 2021, the Company completed the consolidation of the Wawa Gold Project and now holds a 100% ownership interest.

As part of the 100% consolidation of the Wawa Gold Project, the Company’s previous joint venture partner retained a 2% Net Smelter Return (“NSR”) royalty on production from the Wawa Gold Project, of which

7. MINERAL PROPERTIES (continued)

1.5% of the 2% NSR is subject to a buyback for a total cost of $1.75 million.

Other Properties
The Company owns four other properties including 102 claims and 1 lease covering 1,783 ha in Northern Ontario.

Cayenne Property
The Cayenne property consists of 4 cell claims covering approximately 70 ha and 1 lease covering 63 ha (total 133 ha) in Genoa Township located 110 kilometers southwest of Timmins, Ontario. The Company owns 100% of the property.

Mortimer Property
The Company has a 100% interest in a block of 21 cell claims covering approximately 284 ha in the Dore Township 110 km southwest of Timmins, Ontario. The previous owners retain NSRs ranging between 0.2% and 2% on certain claims and the Company has the option to purchase a portion of these NSRs for various cash payments as specified in the original purchase agreements.

Fern Elizabeth Property
The Company has a 100% interest in 55 cell claims covering approximately 1,089 ha located 10 kilometers northwest of Atikokan, Ontario.

Rand Garrison
The Company has a 100% interest in 22 cell claims covering approximately 277 ha located 46 kilometers west of Matheson and 50 kilometers north of Kirkland Lake.

Net Smelter Royalties
The Company retains a 1.5% NSR on approximately 75 square kilometers of claims 20 km east of Newmont Gold’s Borden Gold project near Chapleau, Ontario. The underlying property package was sold in November 2012.

8. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties as defined by IAS 24 *Related Party Disclosures* include the members of the Board of Directors, key management personnel and any companies controlled by these individuals. Key management personnel include those persons having authority and responsibility for planning, directing and controlling activities of the Company. Key management personnel for the Company consist of the Chief Executive Officer, Chief Financial Officer and Vice-President Exploration.

	Three months ended April 30		Nine months ended April 30	
	2023	**2022**	**2023**	**2022**
Compensation[(1)]	**$ 142,818**	$ 169,390	**$ 422,818**	$ 513,702
Share based compensation[(2)]	**87,919**	67,725	**350,351**	250,016
Total	**$ 230,737**	$ 237,115	**$ 773,169**	$ 763,718

(1) Includes professional fee, salary, and health benefits and severance paid to a former officer in the comparative period.
(2) Represents the expense of stock options vested during the period

As of April 30, 2023, the related party balances outstanding included an amount receivable of $67,080 (refer to note 3) (July 31, 2022, $42,496) related to exploration, rent and general & administrative charges from a company with a shared senior executive, along with other administrative services including office rental.

9. SHARE CAPITAL

a) Common Shares

The authorized share capital consists of an unlimited number of common shares. The common shares have no par value. As at April 30, 2023, the Company had 136,862,319 issued and outstanding common shares (July 31, 2022: 117,442,720). All issued and outstanding common shares are fully paid.

On September 29, 2022 the Company closed a bought deal financing, including partial exercise of the over-allotment option, comprised of (i) 7,693,000 common shares of the Company (the "Offered Shares") at a price of $0.26 per Offered Share (the "Offered Share Price"), and (ii) 11,726,599 flow-through common shares of the Company (the "FT Shares" and together with the Offered Shares, the "Offered Securities") at a price of $0.30 per FT Share, for aggregate gross proceeds to the Company of $5,518,160 (the "Offering").

The Offering was conducted on a "bought deal" basis by a syndicate of underwriters led by Haywood Securities Inc. ("Haywood"), as lead underwriter and sole bookrunner, and including Canaccord Genuity Corp, and Laurentian Bank Securities Inc. (together with Haywood, the "Underwriters"). In consideration for their services, the Underwriters received a cash commission equal to 6.0% of the gross proceeds of the Offering and non-transferable broker warrants equal to 6.0% of the number of Offered Securities sold in the Offering or 1,165,175 broker warrants. Each broker warrant is exercisable to purchase one common share of the Company at an exercise price of $0.26 until September 29, 2024. The broker warrants had an estimated value of $171,953 using Black-Scholes model with the following assumptions: risk-free rate, 3.44%, dividend yield 0%, expected volatility of 107.37% and an expected life of 2 years. The value of the flow-through share premium was $469,064 and share issuance costs were $764,220.

Pursuant to the Investor Rights Agreement between the Company and Alamos Gold Inc. ("Alamos") dated December 31, 2019, Alamos has exercised its right to maintain its pro rata ownership interest of the Company's common shares on a partially diluted basis, purchasing 3,846,153 Offered Shares. Alamos will own and control 26,560,536 common shares of the Company, representing approximately 19.4% of the issued and outstanding common shares of the Company on an undiluted basis.

9. SHARE CAPITAL (continued)

The Company received, from October 31, 2021 through December 31, 2021, notice of the exercise of 8,599,623 warrants at the exercise price of $0.50 per common share, resulting in the issuance of 8,599,623 common shares for gross proceeds of $4,299,814 and the reclassification of $517,869 from warrant reserve to share capital. On December 31, 2021, 1,334,322 warrants expired.

On November 18, 2021, the Company closed a private placement consisting of 12,923,700 flow-through shares of the Company (the "FT Shares") at a price of C$0.65 per FT Share, such FT Shares qualifying as "flow-through shares" (within the meaning of subsection 66(15) of the Income Tax Act (Canada)), for aggregate gross proceeds of $8,400,405. The flow through premium over the market price of $0.52 per common share on the closing date was $1,680,081.

In connection with the FT Shares financing, the Company paid agents commission of 6% of the gross proceeds and issued 775,442 compensation options to the agent. Each agent compensation option is exercisable to acquire one common share at a price of $0.50 per unit for a period of 24 months. The agent consideration options had an estimated value of $188,827 using Black-Scholes model with the following assumptions: risk-free rate, 0.98%, dividend yield 0%, expected volatility of 85% and an expected life of 2 years. The value of the flow-through share premium was $1,680,081 and share issuance costs were $613,356.

(b) Stock Options

The Company has a stock option plan (the "Plan") pursuant to which the Company's Board of Directors may grant incentive stock options to directors, officers, employees and consultants at the discretion of the Board of Directors. The exercise price and vesting period of any option is fixed by the Board of Directors on the date of grant, in accordance with applicable stock exchange or other regulatory requirements, if applicable. The maximum aggregate number of common shares under option at any time under the Plan cannot exceed 10% of the issued shares.

Options granted on April 14, 2021 and thereafter are exercisable for a period of five years from the date of the grant and vest at a rate of 1/36 per month for 36 months until the options are fully vested.

The following schedule details stock options outstanding as of April 30, 2023:

Expiry Date		Exercise Price	Options Outstanding	Remaining Life in Years	Options Exercisable
August 10, 2023	$	0.60	146,500	0.28	146,500
April 14, 2026		0.73	2,076,665	2.96	1,442,128
June 1, 2026		0.76	150,000	3.09	95,833
October 1, 2026		0.61	100,000	3.42	52,778
December 15, 2026		0.52	150,000	3.63	66,667
January 25, 2027		0.47	1,756,500	3.74	731,875
April 12, 2027		0.45	175,000	3.95	63,194
Balance, April 30, 2023	**$**	**0.61**	**4,554,665**	**3.25**	**2,598,975**

9. SHARE CAPITAL (continued)

(b) Stock Options (continued)

Movements in the stock options are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, July 31 2021	3,640,550	$ 0.69
Granted	2,294,000	0.48
Cancelled	(856,550)	0.82
Expired	(443,335)	0.69
Balance, July 31, 2022	**4,634,665**	**$ 0.61**
Cancelled	(80,000)	0.59
Balance, April 30, 2023	**4,554,665**	**$ 0.61**

On October 1, 2021, 100,000 stock options were granted to a director of the Company. Each option vest 1/36 on each month starting one month from grant date until the number of stock options are fully vested. The fair value of the 100,000 options granted was $31,183. The options have been valued using Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.61; expected volatility of 60%; risk free rate of 10.94% and a forfeiture rate of 0%. The stock options are being expensed over the 36-month vesting period.

On December 14, 2021, 150,000 stock options were granted to an officer of the Company. Each option vest 1/36 on each month starting one month from grant date until the number of stock options are fully vested. The fair value of the 150,000 options granted was $40,010. The options have been valued using Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.52; expected volatility of 60%; risk free rate of 1.21% and a forfeiture rate of 0%. The stock options are being expensed over the 36-month vesting period.

On January 25, 2022, 1,869,000 stock options were granted to certain directors, officers, employees and consultants of the Company. Each option vest 1/36 on each month starting one month from grant date until the number of stock options are fully vested. The fair value of the 1,869,000 options granted was $587,613. The options have been valued using Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.47; expected volatility of 84.5%; risk free rate of 1.54% and a forfeiture rate of 0%. The stock options are being expensed over the 36-month vesting period.

On April 12, 2022, 175,000 stock options were granted to consultants to the Company. Each option vests 1/36 on each month starting one month from grant date until the number of stock options are fully vested. The fair value of the 175,000 options granted was $53,374. The options have been valued using Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.45; expected volatility of 84.5%; risk free rate of 2.59% and a forfeiture rate of 0%. The stock options are being expensed over the 36-month vesting period beginning in May 2022.

9. SHARE CAPITAL (continued)

c) *Warrants*

Movements in the warrants, which are linked to common share issues described above, are summarized as follows:

	Number of Warrants		Weighted Average Exercise Price
Balance, July 31, 2021	**12,759,585**	**$**	**0.48**
Granted	775,422		0.50
Exercised	(8,599,623)		0.50
Expired	(1,334,322)		0.50
Balance, July 31, 2022	**3,601,062**	**$**	**0.42**
Granted	1,165,175		0.26
Expired	(2,825,640)		0.40
Balance, April 30, 2023	**1,940,597**	**$**	**0.36**

	Number of Warrants		Weighted Average Exercise Price
Warrants expiring on November 18, 2023	775,422		0.50
Warrants expiring on September 29, 2024	1,165,175		0.26
Balance, April 30, 2023	**1,940,597**	**$**	**0.36**

10. COMMITMENTS

Flow through shares

As part of the March 2021 financing, the Company committed to incur, on a best-efforts basis, by December 31, 2022, $4,999,845 in Canadian exploration expenditures (“CEE”) pursuant to a private placement for which flow-through proceeds had been received. The Company renounced the $4,999,845 expenditures as at December 31, 2021 and had incurred all such CEE by January 31, 2022.

As part of the November 2021 private placement for which flow-through proceeds were received, the Company committed to incur CEE, on a best-efforts basis, by December 31, 2023, in the amount of $8,400,405. The Company renounced the $8,400,405 in CEE as at December 31, 2021 and had incurred all such CEE by January 31, 2023.

For the year ended July 31, 2022, the Company had incurred $11,466,316 of the CEE commitment, of which $3,304,016 related to the March 2021 financing and $8,162,300 related to the November 2021 private placement. At July 31, 2022, the commitment remaining of $238,105, related to the November 2021 private placement and was incurred by October 31, 2022.

For the nine months ended April 30, 2023 and as part of the September 29, 2022 financing for which flow-through proceeds have been received, the Company committed to incur CEE, on a best-efforts basis, by December 31, 2023, in the amount of $3,517,980. The Company renounced the $3,517,980 expenditures as at December 31, 2022 and had incurred all such CEE by January 31, 2023.

10. COMMITMENTS (continued)

As at April 30, 2023, there was $nil CEE commitment remaining related to previously secured flow-through proceeds.

The change in the flow-through share CEE commitment and the change in deferred flow-through premium is summarized below:

Flow-Through Share Canadian Exploration Expenditure Commitment		**Nine months ended April 30, 2023**		**Year ended July 31, 2022**
CEE commitment - beginning	$	238,105	$	3,304,016
CEE commitment – additions		3,517,980		8,400,405
		3,756,085		11,704,421
CEE spending in period(1)		(3,756,085)		(11,466,316)
CEE commitment – period end	**$**	**-**	**$**	**238,105**

Deferred Flow-through Premium		**Nine months ended April 30, 2023**		**Year ended July 31, 2022**
Deferred FT premium – beginning	$	35,942	$	647,078
Deferred FT premium - additions		469,064		1,680,081
		505,006		2,327,159
Change in FT premium in period(2)		(505,006)		(2,291,217)
Deferred FT premium – period end	**$**	**-**	**$**	**35,942**

(1) CEE spending in period represents qualifying Canadian exploration expenditures incurred, which the Company had renounced or intended to renounce pursuant to the Income Tax Act of Canada.

(2) Change in deferred FT premium in period represents the amount recognized as income in the period as determined by the CEE spending in the period relative to the proceeds of the related original flow-through shares issued.

11. CAPITAL MANAGEMENT

The Company defines capital management as the manner in which it manages its shareholders' equity. As at April 30, 2023, the Company's (accumulated deficit)/shareholders' equity was $(291,391) (July 31, 2022 - $2,738,334). There were no changes in the Company's approach to capital management during the nine months ended April 30, 2023 and the Company is not subject to any externally imposed capital requirements.

The Company's objective in managing capital is to maintain the entity's ability to continue as a going concern, support the Company's normal operating requirements and to continue the exploration and evaluation of its mineral properties. The Board of Directors does not establish a 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 Company regularly monitors and reviews the amount of capital in proportion to risk and future development and exploration opportunities. The Company manages the capital structure and makes

11. CAPITAL MANAGEMENT (continued)

adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new debt or equity or similar instruments to obtain additional financing.

As at April 30, 2023, the Company had a working capital deficit of $833,040 (July 31, 2022 - contributed surplus: $2,011,651) and for the nine months ended January 31, 2023, used net cash from operating activities of $7,123,198 (April 30, 2022: $7,407,259). Working capital is a non-GAAP measure calculated as total current assets less total current liabilities.

12. SUBSEQUENT EVENTS

On May 8, 2023, the Company completed an agreement in connection with a private placement on a “best efforts” agency basis, for gross proceeds of approximately $7,700,000 (the “Offering”). The Offering was co-led by Haywood Securities Inc. (“Haywood”) and 3L Capital Inc. (“3L”) on behalf of a syndicate of agents including Laurentian Bank Securities Inc. (together with Haywood and 3L, the “Agents”). Haywood acted as sole bookrunner in connection with the Offering.

The Offering will consist of 5,675,000 of units of the Company (the “Units”) at a price of $0.20 per Unit (the “Issue Price”); (ii) 11,538,230 tranche 1 flow-through units of the Company (the “Tranche 1 FT Units“) at a price of $0.235 per Tranche 1 FT Unit (the “Tranche 1 FT Issue Price”); and (iii) 13,679,000 tranche 2 flow-through units of the Company (the “Tranche 2 FT Units” and together with the Units and Tranche 1 FT Units, the “Offered Securities”) at a price of $0.285 per Tranche 2 FT Unit (the “Tranche 2 FT Issue Price”), including full exercise of the Agents’ Option.

Each Unit will consist of one common share in the capital of the Company (a “Common Share”) and one-half of one common share purchase warrant of the Company (each whole purchase warrant, a “Warrant”). Each Tranche 1 FT Unit will consist of one Common Share which will qualify as a “flow-through share” within the meaning of subsection 66(15) of the Income Tax Act (Canada) (the “Tax Act”) and one-half of one Warrant. Each Tranche 2 FT Unit will consist of one Common Share which will qualify as a “flow-through share” within the meaning of subsection 66(15) of the Tax Act and one-half of one Warrant. Each Warrant will entitle the holder to acquire one Common Share (a “Warrant Share”) at a price per Warrant Share of $0.25 for a period of 12 months from the closing date of the Upsized Offering.

In consideration for their services, the Company has agreed to pay the Agents a cash commission equal to 6.0% of the gross proceeds from the Upsized Offering and that number of non-transferable compensation options (the “Compensation Options”) as is equal to 6.0% of the aggregate number of Offered Securities sold under the Upsized Offering. Each Compensation Option is exercisable to acquire one common share of the Company at the Issue Price for a period of 24 months from the closing date of the Upsized Offering.