

# **Satori Resources Inc.**

**Condensed Interim Financial Statements**

**Three Months Ended March 31, 2022 and 2021**

**(Expressed in Canadian Dollars)**

**(Unaudited)**

## **NOTICE TO READER**

Responsibility for Financial Statements:

The accompanying unaudited interim condensed financial statements of Satori Resources Inc. (the "Company") for the three months ended March 31, 2022 and 2021 have been prepared by management in accordance with International Financial Reporting Standards applicable to interim financial statements (see note 3 to the unaudited interim condensed financial statements). Recognizing that the Company is responsible for both the integrity and objectivity of the unaudited financial statements, management is satisfied that these unaudited interim condensed financial statements have been fairly presented.

Auditors Involvement:

The external auditors of Satori Resources Inc. have not audited or performed a review of the unaudited interim condensed financial statements for the three months ended March 31, 2022 and 2021.

# **Satori Resources Inc.**

## **MANAGEMENT'S RESPONSIBILITY FOR QUARTERLY FINANCIAL REPORTING**

The accompanying unaudited interim condensed financial statements of Satori Resources Inc. are the responsibility of the management and Board of Directors of the Company.

The unaudited interim condensed financial statements have been prepared by management, on behalf of the Board of Directors, in accordance with the accounting policies disclosed in the notes to the unaudited interim condensed financial statements. Where necessary, management has made informed judgments and estimates in accounting for transactions which were not complete at the statement of financial position date. In the opinion of management, the unaudited interim condensed financial statements have been prepared within acceptable limits of materiality and are in accordance with International Accounting Standard 34 Interim Financial Reporting of International Financial Reporting Standards using accounting policies consistent with International Financial Reporting Standards appropriate in the circumstances.

Management has established systems of internal control over the financial reporting process, which are designed to provide reasonable assurance that relevant and reliable financial information is produced.

The Board of Directors is responsible for reviewing and approving the unaudited interim condensed financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the unaudited interim condensed financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the unaudited interim condensed financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

"Peter Shippen"  
Chairman

"Julio DiGirolamo"  
Chief Financial Officer

# Satori Resources Inc.

## Interim Condensed Statements of Financial Position (unaudited) (Expressed in Canadian dollars)

	March 31, 2022	December 31, 2021
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash	\$ 2,499,557	\$ 3,095,147
Other receivables	55,045	28,752
Prepaid expenses and advances	170,704	135,537
	<b>2,725,306</b>	<b>3,259,436</b>
<b>Non-Current Assets</b>		
Mineral properties, deferred exploration and development expenditures (notes 5)	5,190,309	4,460,620
<b>TOTAL ASSETS</b>	<b>\$ 7,915,615</b>	<b>\$ 7,720,056</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	\$ 500,131	\$ 120,134
Flow-through premium	201,150	321,075
	<b>701,281</b>	<b>441,209</b>
<b>Non-Current Liabilities</b>		
Site restoration provision (note 6)	1,113,208	1,107,615
<b>TOTAL LIABILITIES</b>	<b>1,814,489</b>	<b>1,548,824</b>
<b>Equity</b>		
Share capital (note 7)	9,514,017	9,514,017
Contributed surplus (note 7)	6,122,296	6,122,296
Deficit	(9,535,187)	(9,465,081)
<b>TOTAL EQUITY</b>	<b>6,101,126</b>	<b>6,171,232</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 7,915,615</b>	<b>\$ 7,720,056</b>

Going Concern (note 2)  
Commitments (note 12)

Approved by the Board  
Signed:

“Jennifer Boyle”

Director

“Peter Shippen”

Director

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

# Satori Resources Inc.

Interim Condensed Statements of Operations and Comprehensive Loss (unaudited)  
For the three-month periods ended March 31,  
(Expressed in Canadian dollars)

	2022	2021
Investor relations, advertising and promotion	\$ 73,215	\$ 3,870
Management fees	51,000	48,500
Directors fees	20,000	23,996
Filing and transfer agent fees	12,937	7,019
Stock-based compensation (note 8)	---	154,050
Insurance	8,999	8,040
Salaries, wages and benefits	7,718	7,417
Consulting fees	5,798	5,617
Accretion (note 6)	5,593	5,842
Office costs and miscellaneous	3,915	11,116
Legal and paralegal	856	1,348
<b>Loss before interest income</b>	<b>\$ 190,031</b>	<b>\$ 276,815</b>
Interest income	---	(67)
Flow-through premium	(119,925)	---
<b>Net loss and comprehensive loss for the period</b>	<b>\$ 70,106</b>	<b>\$ 276,748</b>
<b>Net loss per share (note 9)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>

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

## Satori Resources Inc.

### Interim Condensed Statements of Changes in Equity (unaudited)

For the three-month periods ended March 31, 2022 and 2021

(Expressed in Canadian dollars)

	Number of Shares	Share Capital	Contributed Surplus	Warrant Reserve	Deficit	Total
<b>Balance, December 31, 2020</b>	<b>58,865,084</b>	<b>\$ 5,088,097</b>	<b>\$ 5,935,582</b>	<b>\$ 343,143</b>	<b>\$ (8,774,858)</b>	<b>\$ 2,591,964</b>
Shares issued - warrant exercise	105,000	8,374	---	(1,549)	---	6,825
Vesting of stock-based compensation	---	---	154,050	---	---	154,050
Net loss for the period	---	---	---	---	(276,748)	(276,748)
<b>Balance, March 31, 2021</b>	<b>58,970,084</b>	<b>\$ 5,096,471</b>	<b>\$ 6,089,632</b>	<b>\$ 341,594</b>	<b>\$ (9,051,606)</b>	<b>\$ 2,476,091</b>
<b>Balance, December 31, 2021</b>	<b>99,365,818</b>	<b>\$ 9,514,017</b>	<b>\$ 6,122,296</b>	<b>\$ ---</b>	<b>\$ (9,465,081)</b>	<b>\$ 6,171,232</b>
Net loss for the period	---	---	---	---	(70,106)	(70,106)
<b>Balance, March 31, 2022</b>	<b>99,365,818</b>	<b>\$ 9,514,017</b>	<b>\$ 6,122,296</b>	<b>\$ ---</b>	<b>\$ (9,535,187)</b>	<b>\$ 6,101,126</b>

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

## Satori Resources Inc.

Interim Condensed Statements of Cash Flows (unaudited)  
For the three-month periods ended March 31,  
(Expressed in Canadian dollars)

	2022	2021
<b>Cash flows from operating activities</b>		
Net loss for the period	\$ (70,106)	\$ (276,748)
Items not affecting cash		
Accretion	5,593	5,842
Flow-through premium	(119,925)	154,050
	(184,438)	(106,856)
Changes in non-cash items relating to operating activities		
Other receivables	(26,293)	17,042
Prepaid expenses	(35,167)	(73,079)
Accounts payable and accrued liabilities	379,997	20,983
	134,099	(193,876)
<b>Cash flows from investing activities</b>		
Mineral properties expenditures	(729,689)	(26,486)
	(729,689)	(26,486)
<b>Cash flows from financing activities</b>		
Shares issued on exercise of warrants	---	6,825
	---	6,825
<b>Decrease in cash</b>	<b>(595,590)</b>	<b>(213,537)</b>
<b>Cash, beginning of the period</b>	<b>3,095,147</b>	<b>1,259,568</b>
<b>Cash, end of the period</b>	<b>\$ 2,499,557</b>	<b>\$ 1,046,031</b>

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

# **Satori Resources Inc.**

## **Notes to the Condensed (Unaudited) Interim Financial Statements**

### **March 31, 2022 and 2021**

*Expressed in Canadian dollars unless otherwise indicated*

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#### **1. Incorporation and Basis of Presentation**

Satori Resources Inc. (“Satori” or the “Company”) was incorporated on October 24, 2011 as 0923423 B.C. Ltd. under the Business Corporations Act (British Columbia) and subsequently changed its name to Satori Resources Inc. on December 5, 2011. Satori is involved in mineral exploration and development near Tartan Lake in the Province of Manitoba (the “Tartan Lake Gold Mine Project” or “Tartan Lake”).

The Company’s head office is located at 401 Bay Street, Suite 2702, Toronto, Ontario. Satori’s shares are listed on the TSX Venture Exchange and trade under the symbol “BUD”.

These financial statements were approved by the Board of Directors on May 30, 2022.

#### **2. Nature of Operations and Going concern**

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

At March 31, 2022, Satori had \$2,499,557 in cash (December 31, 2021 - \$3,095,147). Satori has raised and expects to raise additional equity financing to support future investing and operating activities at Tartan Lake, or for such other new projects or assets that Satori may acquire. There can be no assurance as to the availability or terms upon which such financing might be available.

These unaudited interim condensed financial statements have been prepared on a going concern basis, which assumes that Satori will be able to realize assets and discharge liabilities in the normal course of business for the foreseeable future. As at March 31, 2022, Satori has no source of recurring operating cash flows, has an accumulated deficit of \$9,535,187 (December 31, 2021 – \$9,465,081) and working capital of \$2,024,025 (December 31, 2021 - \$2,818,227). In the absence of additional financing or strategic alternatives, these factors cast significant doubt regarding the Company’s ability to continue as a going concern.

The financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to continue as a going concern and was required to realize its assets or discharge its obligations in anything other than the ordinary course of operations.

#### **3. Significant Accounting Policies**

##### **Statement of Compliance**

These unaudited interim condensed financial statements, including comparatives, have been prepared in accordance with International Accounting Standards (“IAS”) 34 ‘Interim Financial Reporting’ (“IAS 34”) using accounting policies consistent with the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and Interpretations of the International Financial Reporting Interpretations Committee (“IFRIC”).

##### **Basis of presentation**

These unaudited interim condensed financial statements have been prepared on a historical cost basis except for certain financial instruments that have been measured at fair value.

# Satori Resources Inc.

## Notes to the Condensed (Unaudited) Interim Financial Statements

### March 31, 2022 and 2021

*Expressed in Canadian dollars unless otherwise indicated*

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### 3. Significant Accounting Policies (Cont'd)

#### Significant accounting estimates and judgments

The preparation of these financial statements requires management to make judgments and estimates that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these judgments and estimates. The financial statements include judgments and estimates which, by their nature, are uncertain. The impacts of such judgments and estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the end of the reporting period, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Estimates:

- the recoverability of the deferred exploration and development expenditures recorded in the statements of financial position; and
- inputs used to account for the value of the asset retirement obligation, including the inflation rate, the risk-free interest rate and the estimated life of the property.

#### Recent Accounting Pronouncements

At the date of authorization of these unaudited condensed interim financial statements, the IASB and the IFRIC have issued the following amendments which are effective for annual periods beginning on or after January 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded. The Company is currently assessing the impact upon the adoption of the following amendments on its financial statements:

##### Amendments to IAS 1

In January 2020, the IASB issued amendments to IAS 1 which clarify the requirements for classifying liabilities as either current or non-current by: (i) specifying that the conditions which exist at the end of the reporting period determine if a right to defer settlement of a liability exists; (ii) clarifying that settlement of a liability refers to the transfer to the counterparty of cash, equity instruments, other assets or services; (iii) clarifying that classification is unaffected by management's expectation about events after the balance sheet date; and (iv) clarifying the classification requirements for debt an entity may settle by converting it into equity.

The amendments clarify existing requirements, rather than make changes to the requirements, and so are not expected to have a significant impact on an entity's financial statements. However, the clarifications may result in reclassification of some liabilities from current to non-current or vice-versa, which could impact an entity's loan covenants. Because of this impact, the IASB has provided a longer effective date to allow entities to prepare for these amendments. In July 2020, the IASB issued an amendment to defer the effective date of the amendments by one year from its originally planned effective date to annual periods beginning on or after January 1, 2023 due to the impact of COVID-19. Early application is permitted.

##### Amendments to IAS 37 – Provisions, Contingent Liabilities and Contingent Assets (“IAS 37”)

In May 2020, the IASB issued amendments to update IAS 37. The amendments specify that in assessing whether a contract is onerous under IAS 37, the cost of fulfilling a contract includes both the incremental costs and an allocation of costs that relate directly to contract activities. The amendments also include examples of costs that do, and do not, relate directly to a contract. These amendments are effective for annual periods beginning on or after January 1, 2022. Earlier application is permitted.

# Satori Resources Inc.

## Notes to the Condensed (Unaudited) Interim Financial Statements March 31, 2022 and 2021

Expressed in Canadian dollars unless otherwise indicated

### 3. Significant Accounting Policies (Cont'd)

#### Amendments to IAS 8

In February 2021, the IASB issued Definition of Accounting Estimates, which amended IAS 8. The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The amendments to IAS 8 are effective for annual periods beginning on or after January 1, 2023. Early application is permitted.

### 4. Capital Management

The capital of Satori consists of shareholders' equity. The Company's objectives when managing capital are to safeguard Satori's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain optimal returns to shareholders and benefits for other stakeholders.

Satori manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, Satori may attempt to issue new shares or debt or dispose of assets. There can be no assurance that Satori will be able to obtain debt or equity capital in the case of operating cash deficits (*note 2*).

In order to facilitate management of its capital requirements, Satori prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing development efforts, Satori does not pay out dividends. Satori is not subject to externally imposed capital requirements.

### 5. Mineral Properties and Deferred Exploration and Development Expenditures

	Dec 31, 2020	Additions	Dec 31, 2021	Additions	Mar. 31, 2022
<b><u>Tartan Lake:</u></b>					
Acquisition	\$ 583,560	\$ ---	\$ 583,560	\$ ---	\$ 583,560
Exploration	3,894,988	2,107,323	6,002,311	729,689	6,732,000
Proceeds from sale of gold	(49,433)	---	(49,433)	---	(49,433)
Change in site restoration provision (note 6)	308,453	---	308,453	---	308,453
Impairment of properties	(2,384,271)	---	(2,384,271)	---	(2,384,271)
<b>Total Tartan Lake</b>	<b>2,353,297</b>	<b>2,107,323</b>	<b>4,460,620</b>	<b>729,689</b>	<b>5,190,309</b>
<b><u>New Delhi:</u></b>					
Acquisition	54,400	---	54,400	---	54,400
Option termination	---	(54,400)	(54,400)	---	(54,400)
<b>Total New Delhi</b>	<b>54,400</b>	<b>(54,400)</b>	<b>---</b>	<b>---</b>	<b>---</b>
<b>TOTAL</b>	<b>\$ 2,407,697</b>	<b>2,052,923</b>	<b>\$ 4,460,620</b>	<b>729,689</b>	<b>\$ 5,190,309</b>

#### ***Tartan Lake, Manitoba***

Satori assumed ownership of Tartan Lake on February 2, 2012. The property carries a net smelter return royalty ("NSR") of 2%. The NSR can be repurchased at any time by Satori for \$1,000,000 for each 1%. During the year ended December 31, 2021, the Company expended \$2,107,000 on exploration activities (Year ended December 31, 2020 - \$187,000).

# Satori Resources Inc.

## Notes to the Condensed (Unaudited) Interim Financial Statements

March 31, 2022 and 2021

*Expressed in Canadian dollars unless otherwise indicated*

### 5. Mineral Properties, Deferred Exploration and Development Expenditures (Cont'd)

#### *New Delhi, Ontario*

On October 26, 2020, Satori entered into a property option agreement to earn a 100% interest in the New Delhi Gold Project, an advanced polymetallic gold property located in Ontario's Sudbury Mining Division. Under the terms of this agreement, Satori had the right to earn a 100% interest in the New Delhi project by making certain payments. On November 22, 2021, the Company gave notice that it was terminating the option agreement.

### 6. Site Restoration Provision

Satori's site restoration provision of \$1,113,208 (December 31, 2021 - \$1,107,615) is based on management's best estimate of costs to abandon and reclaim mineral properties and facilities as well as an estimate of the future timing of the costs to be incurred.

Satori's asset retirement obligation was determined based on an undiscounted future liability of approximately \$1,248,820 adjusted for estimated inflation of 1.88% and discounted at 2.02%, with reclamation occurring in 2027. During the three months ended March 31, 2022, accretion expense of \$5,593 (three months ended March 31, 2021 - \$5,842) was recorded.

### 7. Share Capital

#### *Common shares*

##### **Authorized:**

Unlimited number of common shares without par value.

##### **Issued and outstanding:**

	<b>Common Shares</b>	<b>Amount</b>
<b>Balance, December 31, 2019</b>	<b>43,631,507</b>	<b>\$ 3,662,999</b>
Property acquisition (note 5)	120,000	14,400
Shares issued in private placement	12,013,577	1,195,475
Share issue costs	---	(41,061)
Flow-through premium	---	(17,900)
Warrant exercise – cash	2,200,000	124,500
Warrant exercise – equity	---	66,700
Option exercise – cash	900,000	47,500
Option exercise – equity	---	35,484
<b>Balance, December 31, 2020</b>	<b>58,865,084</b>	<b>\$ 5,088,097</b>
Shares issued in private placement	25,595,734	3,858,400
Share issue costs	---	(204,345)
Flow-through premium	---	(442,939)
Warrant exercise – cash	14,905,000	904,325
Warrant exercise – book value	---	310,479
<b>Balance, December 31, 2021 and March 2022</b>	<b>99,365,818</b>	<b>\$ 9,514,017</b>

See note 12 for Satori's flow-through expenditure commitment at March 31, 2022.

# Satori Resources Inc.

## Notes to the Condensed (Unaudited) Interim Financial Statements March 31, 2022 and 2021

Expressed in Canadian dollars unless otherwise indicated

### 8. Stock Options and Stock-Based Compensation

Satori established a stock option plan which provides for granting of incentive stock options up to a maximum of 10% of the Company's issued and outstanding common shares. The Company has issued options to directors, officers and consultants. Terms of the options granted are subject to the determination and approval by the Board of Directors. All options granted are subject to a four-month hold period from the date of grant as required by the TSX Venture Exchange.

	Number of stock options outstanding and exercisable	Weighted average exercise price	Weighted average remaining contractual life (years)
<b>Balance, December 31, 2020</b>	<b>4,050,000</b>	<b>\$ 0.10</b>	<b>3.08</b>
Granted	1,500,000	0.15	
Expired	(650,000)	0.15	
<b>Balance, December 31, 2021</b>	<b>4,900,000</b>	<b>\$0.10</b>	<b>3.05</b>
Expired	(300,000)	0.18	
<b>Balance, March 31, 2022</b>	<b>4,600,000</b>	<b>\$0.10</b>	<b>3.00</b>

In January 2022, 300,000 options expired unexercised.

On March 30, 2021, the Company granted 1,500,000 stock options to directors, officers and consultants. The stock options carry an exercise price of \$0.15, and vest immediately. The value ascribed to this issue was \$154,050 using the Black-Scholes option pricing model under the following weighted average assumptions: share price – \$0.14; risk free rate of return – 0.97%; annualized volatility – 100%; expected life – 5 years; dividend yield – 0%. The Company recognized stock-based compensation expense of \$154,050 during the quarter ended March 31, 2021 in relation to the vesting of these options.

### 9. Loss per Common Share

The following table sets forth the calculations of basic and fully diluted loss per common share:

	For the three months ended March 31,	
	2022	2021
Numerator:		
Loss attributable to common shareholders - basic and diluted	\$ (70,106)	\$ (276,748)
Denominator:		
Weighted-average common shares outstanding - basic and diluted	99,365,818	58,946,751
Basic and diluted loss per common share	\$ (0.00)	\$ (0.00)

The options and warrants for the periods ended March 31, 2022 and 2021 were excluded from the computation of diluted loss per share as the potential effect was anti-dilutive.

# Satori Resources Inc.

## Notes to the Condensed (Unaudited) Interim Financial Statements March 31, 2022 and 2021

Expressed in Canadian dollars unless otherwise indicated

### 10. Related Party Transactions and Balances

#### Management compensation

The Company incurred the following expenditures charged by companies controlled by current directors and officers of the Company:

	For the three months ended	
	March 31,	
	2022	2021
Stock-based compensation (note 8)	\$ ---	\$ 154,050
Management fees	43,500	48,500
Director compensation	20,000	23,996
Director consulting fee	---	13,600
Total management compensation	\$ 63,500	\$ 240,146

During the quarter ended March 31, 2022, the Company paid its President and CEO a total of \$18,000 for her role as an Executive Officer and \$4,000 for her role on the Board (quarter ended March 31, 2021 - \$18,000 for her role as an Executive Officer and \$4,000 for her role on the Board). During the quarter ended March 31, 2022, the Company paid its Executive Chairman a total of \$18,000 for his role as an Executive Officer and \$4,000 for his role on the Board (quarter ended March 31, 2021 - \$18,000 for his role as an Executive Officer and \$4,000 for his role on the Board). During the quarter ended March 31, 2022, the Company paid its CFO a total of \$7,500 (quarter ended March 31, 2021 - \$7,500).

### 11. Financial Instruments and Risk Factors

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

#### Credit risk

Credit risk is the risk of loss associated with the Company's inability to collect accounts receivable and safe keep cash. The Company's receivables consist mainly of a Harmonized Sale Tax (HST) return from the federal government, on which there is no credit risk. The Company is also exposed to credit risk on its cash, however, it has deposited its cash with reputable Canadian financial institutions, from which management believes the risk of loss is minimal.

#### Liquidity risk

The Company manages liquidity risk to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2022, Satori had cash of \$2,499,557 to settle current financial liabilities of \$701,281 (December 31, 2021 - \$3,095,147 to settle current financial liabilities of \$441,209). Satori has no source of recurring operating cash flows and in the absence of additional financing or strategic alternatives, the Company faces substantial liquidity risk (note 2).

#### Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices.

- i) Interest rate risk - Satori is not exposed to interest rate risk as it does not have interest bearing debt.
- ii) Commodity price risk - The ability of Satori to develop its mineral properties and future profitability of Satori is directly related to the market price of gold.

# Satori Resources Inc.

## Notes to the Condensed (Unaudited) Interim Financial Statements

March 31, 2022 and 2021

*Expressed in Canadian dollars unless otherwise indicated*

### 12. Commitments

The following table summarizes the Company's flow-through expenditure requirements as at March 31, 2022:

<b>Date of Financing</b>	<b>Dec 30, 2021</b>	<b>June 28, 2021</b>
	<b>\$<sup>(1)</sup></b>	<b>\$<sup>(1)</sup></b>
Flow-through proceeds raised	1,359,400	1,410,750
Eligible expenditures incurred	---	(1,096,776)
<b>Expenditure commitment – December 31, 2021</b>	<b>1,359,400</b>	<b>313,974</b>
Eligible expenditures incurred	(403,935)	(313,974)
<b>Expenditure commitment – March 31, 2022</b>	<b>955,465</b>	<b>---</b>

Note:

<sup>(1)</sup> These expenditures must be incurred before December 31, 2022

### 13. Subsequent Events

On April 22, 2022, the Company granted 825,000 stock options to directors, officers and consultants. The stock options have a life of five years, carry an exercise price of \$0.15, and 525,000 vest immediately. For the remaining 300,000, one-third vests immediately and one-third vests on each of the 6-month and 12-month anniversary of the grant.