GoldON Resources Ltd.
(An exploration stage company)

Condensed Interim Financial Statements
(Unaudited – Prepared by Management)

March 31, 2021

Notice of No Auditor Review

The accompanying unaudited condensed interim financial statements were prepared by management and approved by the Audit Committee and the Board of Directors.

The Company's independent auditors have not performed a review of these condensed interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditors.

GoldON Resources Ltd.
(An exploration stage company)

Condensed Interim Statements of Financial Position
(Unaudited - Prepared by Management)

	March 31 2021	June 30 2020
ASSETS		
Current		
Cash	$ 1,531,952	$ 941,578
Accounts receivable	161,398	61,218
Prepaid expenses	104,718	7,532
	1,798,068	1,010,328
Reclamation deposits (note 5)	9,151	9,248
Equipment	1,007	1,184
Exploration and evaluation assets (note 6)	4,219,365	2,053,663
	$ 6,027,591	$ 3,074,423
LIABILITIES		
Current		
Accounts payable and accrued liabilities	$ 250,329	$ 212,866
Flow-through share premium (note 7)	1,960	89,562
	252,289	302,428
SHAREHOLDERS' EQUITY		
Share capital (note 7)	19,757,914	16,372,604
Share-based payment reserve (note 7)	1,801,639	1,772,064
Deficit	(15,784,251)	(15,372,673)
	5,775,302	2,771,995
	$ 6,027,591	$ 3,074,423

Nature and continuance of operations (note 1)
Subsequent events (note 11)

The accompanying Notes to the Condensed Interim Financial Statements are an integral part of these financial statements

GoldON Resources Ltd.
(An exploration stage company)

Condensed Interim Statements of Comprehensive Loss
(Unaudited - Prepared by Management)
Nine month periods ended March 31

	For the Three Months Ended March 31		For the Nine Months Ended March 31	
	2021	2020	2021	2020
Expenses				
Consulting	$ 41,544	$ 21,960	$ 115,999	$ 67,752
Depreciation	59	109	177	327
Insurance	2,623	2,231	7,374	6,650
Interest and bank charges	274	316	1,289	1,070
Management and administration fees (note 8)	23,250	20,250	65,750	57,750
Office	4,066	2,317	14,173	8,954
Professional fees	4,176	4,992	13,537	20,621
Share-based compensation (note 7)	-	-	-	609,232
Telephone	240	249	4,022	5,336
Transfer agent and filing fees	12,241	16,845	44,911	32,399
Travel and promotion	89,184	24,321	250,041	58,453
Operating loss	(177,657)	(93,590)	(517,273)	(868,544)
Other income				
Interest income	8	-	11	4
Income tax recovery	15,673	-	105,684	57,925
	15,681	-	105,695	57,929
Net and comprehensive loss	$ (161,976)	$ (93,590)	$ (411,578)	$ (810,615)
Loss per share - basic and diluted	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.05)
Weighted average number of shares outstanding	22,631,855	16,128,108	19,934,777	15,088,655

The accompanying Notes to the Condensed Interim Financial Statements are an integral part of these financial statements

GoldON Resources Ltd.
(An exploration stage company)

Condensed Interim Statements of Changes in Equity
(Unaudited - Prepared by Management)
Nine month periods ended March 31, 2021 and 2020

	Issued Share Capital Number		Issued Share Capital Amount		Share-based Payment Reserve		Deficit		Total
Balances, June 30, 2019	**13,834,782**	**$**	**14,561,012**	**$**	**1,174,736**	**$**	**(14,612,052)**	**$**	**1,123,696**
Shares and warrants issued for cash	2,177,500		1,522,950		-		-		1,522,950
Shares issued upon exercise of options and warrants	846,150		205,371		(44,390)		-		160,981
Share issuance costs	-		(148,729)		32,486		-		(116,243)
Share-based compensation	-		-		609,232		-		609,232
Net loss	-		-		-		(810,615)		(810,615)
Balances, March 31, 2020	**16,858,432**		**16,140,604**		**1,772,064**		**(15,422,667)**		**2,490,001**
Shares issued for exploration and evaluation assets	350,000		232,000		-		-		232,000
Net income	-		-		-		49,994		49,994
Balances, June 30, 2020	**17,208,432**		**16,372,604**	**-**	**1,772,064**	**-**	**(15,372,673)**		**2,771,995**
Shares and warrants issued for cash	3,919,244		2,856,100		-		-		2,856,100
Allocation of proceeds to flow-through share premium	-		(18,081)		-		-		(18,081)
Shares issued upon exercise of options and warrants	2,246,616		486,676		(44,869)				441,807
Shares issued for exploration and evaluation assets	330,000		236,000		-		-		236,000
Share issuance costs	-		(175,385)		74,444		-		(100,941)
Net loss	-		-		-		(411,578)		(411,578)
Balances, March 31, 2021	**23,704,292**	**$**	**19,757,914**	**$**	**1,801,639**	**$**	**(15,784,251)**	**$**	**5,775,302**

The accompanying Notes to the Condensed Interim Financial Statements are an integral part of these financial statements

GoldON Resources Ltd.
(An exploration stage company)

Condensed Interim Statements of Cash Flows
(Unaudited - Prepared by Management)
Nine month periods ended March 31

		2021		2020
Operating activities				
Net loss	$	(411,578)	$	(810,615)
Adjustments for items not involving cash:				
Depreciation		177		327
Share-based compensation		-		609,232
Accrued interest		97		67
Income tax recovery		(105,684)		(57,925)
		(516,988)		(258,914)
Changes in non-cash working capital:				
Accounts receivable		(100,180)		(6,995)
Prepaid expenses		(97,186)		(12,662)
Accounts payable and accrued liabilities		37,463		(106,114)
Due to related parties		-		(1,442)
		(676,891)		(386,127)
Investing activities				
Investments in exploration and evaluation assets		(1,929,702)		(810,317)
Purchase of equipment		-		(1,207)
		(1,929,702)		(811,524)
Financing activity				
Proceeds from issuance of shares and warrants, net		3,196,967		1,832,613
Net change in cash		590,374		634,962
Cash, beginning of period		941,578		752,301
Cash, end of period (note 9)	$	1,531,952	$	1,387,263
Supplemental cash flow information				
Interest received	$	108	$	71
Income taxes paid (recovered)		(105,684)		(57,925)

Non-cash transactions (note 10)

The accompanying Notes to the Condensed Interim Financial Statements are an integral part of these financial statements

1. Nature and Continuance of Operations

The Company was incorporated on June 14, 1977 under the laws of the Province of British Columbia, Canada.

The Company is in the business of exploring its mineral exploration assets and has not yet determined whether these properties contain ore reserves that are economically recoverable. As of March 31, 2021, the Company was in the exploration stage and had interests in properties in Ontario, Canada.

These condensed interim financial statements have been prepared on a going concern basis, which presumes the realization of assets and discharge of liabilities in the normal course of business for the foreseeable future. The ability of the Company to continue as a going concern and the recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development, and upon future profitable production or proceeds from the disposition thereof.

The Company has sustained losses from operations and has an ongoing requirement for capital investment to explore its exploration and evaluation assets. As of March 31, 2021, the Company had working capital of $1,545,779 (June 30, 2020 – $707,900). Based on its current plans, budgeted expenditures and cash requirements, the Company does not have sufficient cash to finance its current plans and will need to raise substantial additional capital to accomplish its plans over the next several years. The Company expects to seek additional financing through equity financing. There can be no assurance as to the availability or terms upon which such financing might be available.

In early 2020, there was a global outbreak of a novel coronavirus identified as COVID-19. On March 11, 2020, the World Health Organization declared a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its future operations.

1. Nature and Continuance of Operations (continued)

These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern. These condensed interim financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

The address of the Company's office is 179 – 2945 Jacklin Road, Suite 416, Victoria, British Columbia, V9B 6J9, Canada.

2. Significant Accounting Policies

Basis of Presentation

These condensed interim financial statements, including comparatives, comply with IAS 34 – Interim Financial Reporting. The policies applied in these condensed interim financial statements are based on IFRS issued and outstanding as of the date the Board of Directors approved these condensed interim financial statements.

These condensed interim financial statements are presented in the Company's functional and presentation currency – the Canadian dollar – on a historical cost basis except for certain items that are measured at fair value. The accounting policies described herein have been applied consistently to all periods presented in these condensed interim financial statements.

Financial Instruments

The Company recognizes a financial asset or financial liability in the Condensed Interim Statements of Financial Position when it becomes party to the contractual provisions of the financial instrument. Financial assets are initially measured at fair value and are derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset or when cash flows expire. Financial liabilities are initially measured at fair value and are derecognized when the obligation specified in the contract is discharged, cancelled or expired.

A write-off of a financial asset (or a portion thereof) constitutes a derecognition event. Write-off occurs when the Company has no reasonable expectations of recovering the contractual cash flows on a financial asset.

2. Significant Accounting Policies (continued)

Financial Instruments (continued)

Classification and Measurement
The Company determines the classification of its financial instruments at initial recognition. Financial assets and financial liabilities are classified according to the following measurement categories:

a) those to be measured subsequently at fair value, either through profit or loss (“FVTPL”) or through other comprehensive income (“FVTOCI”); and
b) those to be measured subsequently at amortized cost.

The classification and measurement of financial assets after initial recognition at fair value depends on the business model for managing the financial asset and the contractual terms of the cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding, are generally measured at amortized cost at each subsequent reporting period. All other financial assets are measured at their fair values at each subsequent reporting period, with any changes recorded through profit or loss or through other comprehensive income (which designation is made as an irrevocable election at the time of recognition).

After initial recognition at fair value, financial liabilities are classified and measured at either:

a) amortized cost;
b) FVTPL if the Company has made an irrevocable election at the time of recognition, or when required (for items such as instruments held for trading or derivatives); or
c) FVTOCI when the change in fair value is attributable to changes in the Company’s credit risk.

The Company reclassifies financial assets when and only when its business model for managing those assets changes. Financial liabilities are not reclassified.

Transaction costs that are directly attributable to the acquisition or issuance of a financial asset or financial liability classified as subsequently measured at FVTOCI or amortized cost are included in the fair value of the instrument on initial recognition. Transaction costs for financial assets and financial liabilities classified at FVTPL are expensed in profit or loss.

2. Significant Accounting Policies (continued)

Financial Instruments (continued)

Classification and Measurement (continued)
The Company's financial assets consist of cash which is classified and measured at FVTPL with realized and unrealized gains or losses related to changes in fair value reported in profit or loss, and reclamation deposits which are classified at amortized cost. The Company's financial liabilities consist of accounts payable and accrued liabilities which are classified and measured at amortized cost using the effective interest method. Interest expense is reported in profit or loss.

The effective interest method is a method of calculating the amortized cost of a financial asset or liability and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that discounts estimated future cash payments through the expected life of the financial asset or liability, or where appropriate, a shorter period.

Impairment
The Company assesses all information available including, on a forward-looking basis, the expected credit losses associated with any financial assets carried at amortized cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk, the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition based on all information available and reasonable and supportive forward-looking information.

Cash and Cash Equivalents

For purposes of reporting cash flows, the Company considers cash and cash equivalents to include amounts held in banks and cashable highly liquid investments with limited interest and credit risk. The Company places its cash and cash investments with institutions of high creditworthiness.

Equipment

Equipment is carried at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the fair value of consideration given to acquire or construct an asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use, along with the future cost of dismantling and removing the asset. Equipment is amortized using the declining-balance method at a rate of 20% per year.

2. Significant Accounting Policies (continued)

Exploration and Evaluation Assets

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized in addition to the acquisition costs. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on plant and equipment during the exploration phase. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs and pre-exploration expenses, are expensed in the period in which they occur.

The Company may occasionally enter into option arrangements whereby the Company will transfer part of a mineral interest as consideration for an agreement by the transferee to meet certain exploration and evaluation expenditures, which would otherwise be undertaken by the Company. The Company does not record any expenditures made by the optionee on its behalf. Any consideration received from the agreement is credited against the costs previously capitalized to the exploration and evaluation asset given up by the Company with any excess consideration accounted for as a gain on disposal.

When a project is deemed to no longer have commercially viable prospects to the Company, exploration and evaluation expenditures in respect of that project are deemed to be impaired. As a result, those exploration and evaluation costs in excess of estimated recoveries are written off to profit or loss.

The Company assesses exploration and evaluation assets for impairment at each reporting date and when facts and circumstances suggest that the carrying amount of an asset may exceed its recoverable amount.

Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as “mines under construction.” Exploration and evaluation assets are tested for impairment before the assets are transferred to development properties.

As the Company currently has no operational income, any incidental revenues earned in connection with exploration activities are applied as a reduction to capitalized exploration costs.

Mineral exploration and evaluation expenditures are classified as intangible assets. Cash which is subject to contractual restrictions on use is classified separately as reclamation deposits.

2. Significant Accounting Policies (continued)

Decommissioning Provision

The Company records a liability based on the best estimate of costs for site closure and reclamation activities that the Company is legally or constructively required to remediate and the liability is recognized at the time environmental disturbance occurs. The resulting costs are capitalized to the corresponding asset. The provision for closure and reclamation liabilities is estimated using expected cash flows based on internal estimates discounted at a pre-tax rate specific to the liability. The capitalized amount is amortized on the same basis as the related asset. The liability is adjusted for the accretion of the discounted obligation and any changes in the amount or timing of the underlying future cash flows. Significant judgments and estimates are involved in forming expectations of the amounts and timing of future closure and reclamation cash flows.

Changes in closure and reclamation estimates are accounted for as a change in the corresponding capitalized cost.

Costs of reclamation projects for which a provision has been recorded are recorded directly against the provision as incurred, most of which are incurred upon cessation of exploration and evaluation or at the end of the life of a mine.

Loss per Share

The Company uses the treasury stock method of calculating diluted per share amounts whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the period. The assumed conversion of outstanding common share options and warrants had an anti-dilutive impact in 2021 and 2020. There were 5,807,633 outstanding options and warrants as of March 31, 2021 (June 30, 2020 – 6,174,350) that were not included in the calculation of diluted per share amounts.

Basic loss per share is calculated using the weighted-average number of shares outstanding during the period.

Share Capital

The proceeds from the exercise of stock options and warrants are recorded as share capital in the amount for which the option or warrant enabled the holder to purchase a share in the Company.

Commissions and finders' fees paid to underwriters, agents and finders and other related share issue costs, such as legal, auditing and printing, on the issue of the Company's shares are charged directly to share capital.

2. Significant Accounting Policies (continued)

Share Capital (continued)

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

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

Income Taxes

The Company uses the liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Deferred tax assets also result from unused loss carry forwards, resource related pools and other deductions. A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets requiring a substantial period to get ready for their intended use or sale are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense.

2. Significant Accounting Policies (continued)

Share-based Compensation

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are considered by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital. When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

All equity-settled share-based payments are reflected in share-based payment reserve, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

2. Significant Accounting Policies (continued)

Flow-Through Shares

The Company will, from time to time, issue flow-through common shares to finance its exploration programs. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. Upon issuance, the Company bifurcates the flow-through share into: (i) share capital; and (ii) a flow-through share premium equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability. Upon expenses being renounced, the Company derecognizes the liability and recognizes a deferred tax liability for the amount of tax reduction renounced to the investors. The premium is recognized as other income and the related deferred tax is recognized as a tax provision.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resource property exploration expenditures within a two-year period. As of March 31, 2021, the Company has an unspent flow-through commitment of $146,980 (June 30, 2020 – $564,248).

The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Impairment of Long-Lived Assets

Management evaluates non-current assets at each reporting period for indicators that carrying value is impaired and may not be recoverable. When indicators of impairment are present, the recoverable amount of an asset is evaluated at the level of a cash generating unit (CGU), the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets, where the recoverable amount of a CGU is the greater of the CGU's fair value less costs to sell and its value in use. An impairment loss is recognized in profit or loss to the extent that the carrying amount exceeds the recoverable amount.

Significant Accounting Estimates and Judgments

The preparation of these condensed interim financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the financial statement date and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

2. Significant Accounting Policies (continued)

Significant Accounting Estimates and Judgments (continued)

These condensed interim financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the condensed interim 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 future periods if the revision affects both current and future years.

These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical Accounting Estimates
Significant assumptions about the future and other sources of estimation uncertainty 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:

Share-based payments
The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date on which they are granted. Estimating fair value for the share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the share option, volatility and dividend yield, and making assumptions about them. The assumptions and models used for estimating fair value of share-based payment transactions are described in note 7.

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

2. Significant Accounting Policies (continued)

Significant Accounting Estimates and Judgments (continued)

Reclamation and environmental obligations
Reclamation provisions have been created based on internal estimates. Assumptions, based on the current economic environment, have been made which management believes are a reasonable basis upon which to estimate the future liability. These estimates consider any material changes to the assumptions that occur when reviewed regularly by management.

Estimates are reviewed at least annually and are based on current regulatory requirements. Significant changes in estimates of contamination, restoration standards and techniques will result in changes to provisions from year to year.

Actual reclamation costs will ultimately depend on future market prices for the reclamation costs, which will reflect the market condition at the time of reclamation costs are actually incurred. The final cost of the currently recognized reclamation provisions may be higher or lower than currently provided for.

Critical Accounting Judgments
Critical accounting judgments are accounting policies that have been identified as being complex or involving subjective judgments or assessments. The Company made the following critical accounting judgments:

Income taxes
Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Company recognizes deferred tax assets relating to tax losses carried forward to the extent there are sufficient taxable temporary differences (deferred tax liabilities) relating to the same taxation authority and the same taxable entity against which the unused tax losses can be utilized. However, utilization of the tax losses also depends on the ability of the taxable entity to satisfy certain tests at the time the losses are recouped.

Exploration and evaluation assets
Once technical feasibility and commercial viability of an exploration and evaluation asset can be demonstrated, it is reclassified from exploration and evaluation assets and subject to different accounting treatment. As of the financial reporting date, management had determined that no reclassification of exploration and evaluation assets was required.

2. Significant Accounting Policies (continued)

New Accounting Standards and Interpretations Recently Adopted

The following standard was adopted by the Company effective July 1, 2020, but had no material impact on these condensed interim financial statements:

Amendments to IFRS 3: Business Combinations
Amendments to IFRS 3: Business Combinations assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. It amends the definition of a business to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and it excludes returns in the form of lower costs and other economic benefits.

3. Capital Management

The Company manages its capital to continue as a going concern largely through issuances of shares. These share issues depend on several factors, including a positive mineral exploration environment, positive stock market conditions, a company's track record and the experience of management. The capital structure of the Company consists of shareholders' equity, comprising share capital, share-based payment reserve and deficit. The Company is not subject to any external capital requirements. There were no changes to the Company's approach to capital management during the period ended March 31, 2021.

4. Financial Instruments

The fair value of the Company's cash, reclamation deposits, accounts payable and accrued liabilities, and amounts due to related parties approximate their carrying value due to the short-term nature of these instruments unless otherwise noted. It is management's opinion that the Company is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The Company monitors and manages the risks relating to its financial instruments through analysis of exposures by degree and magnitude of risks. These risks include credit risk, market risk and liquidity risk.

4. Financial Instruments (continued)

Credit risk

Credit risk refers to the risk that another entity will default on its contractual obligations resulting in financial loss to the Company. As of March 31, 2021, such contractual obligations comprised cash held with high creditworthy financial institutions in the amount of $1,531,952 (June 30, 2020 – $941,578) and deposits with or pledged to the Province of British Columbia in the amount of $9,151 (June 30, 2020 – $9,248). Management considers this risk to be negligible.

Market risk

Market risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices. Management considers this risk to be negligible.

Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet its financial obligations when they become due or can only do so at excessive cost. As of March 31, 2021, the Company had working capital of $1,545,779 (June 30, 2020 – $707,900). Management anticipates that the Company will be able to meet its obligations as they become due.

Fair Value Hierarchy

Financial instruments recorded at fair value in the Condensed Interim Statements of Financial Position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 – valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – valuation techniques based on inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 – valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

Cash is measured using Level 1 of the fair value hierarchy.

5. Reclamation Deposits

As of March 31, 2021, bank term deposits totaling $9,151 (June 30, 2020 – $9,248) have been posted as reclamation bonds with the Province of British Columbia, Canada. The term deposits bear interest at a weighted average rate of 1.2% per annum (June 30, 2020 – 1.2%).

6. Exploration and Evaluation Assets

Slate Falls

The Company owns a 100% interest in the Slate Falls Project located near Slate Falls in northwestern Ontario. To acquire the property, the Company paid $145,550, issued 120,000 shares with an average value of $0.17 per share, and granted the vendor a 2% net smelter returns royalty, of which the Company may repurchase half for $1,000,000.

In June 2015, management determined that the asset was impaired and wrote down the carrying amount to a nominal $1. In March 2017, however, the Company entered into a Negotiation Protocol Agreement with the local First Nations, which provided a framework for the resumption of exploration of the property.

West Madsen

In May 2019, the Company acquired an option to purchase up to 100% of the West Madsen Project comprising two contiguous claim blocks in Ontario's Red Lake gold camp. To purchase an initial 60% interest in the claims, the Company must pay the optionor $175,000 (of which, $100,000 has been paid), issue 875,000 shares (of which, 500,000 shares with a fair value of $0.53 per share have been issued) and incur not less than $750,000 of exploration expenses in three stages over three years. Following the purchase of the initial 60% interest, the Company may purchase the remaining 40% interest by paying the optionor an additional 500,000 shares or $500,000 in cash if the Company so chooses, incurring an additional $750,000 of exploration expenses in two stages over the subsequent year, and granting the optionor a 2.5% net smelter returns royalty. The Company may repurchase 40% of the royalty for $500,000.

In July 2020, the Company entered into an option agreement to purchase 100% of the Flat Lake and Madsen Medicine Stone claim groups adjacent to the original West Madsen Project. The company exercised that option in December 2020 by paying a total of $80,000, issuing 250,000 shares with an average value of $0.82 per share and granting the optionor a 2% net smelter returns royalty. The Company may repurchase half of the royalty for $1,000,000.

6. Exploration and Evaluation Assets (continued)

Red Lake

In June 2019, the Company entered into an option agreement to acquire three properties located near Red Lake, Ontario. To acquire a 100% interest in the properties, the Company must pay $45,100 (of which $20,100 has been paid) and issue 110,000 shares (of which 60,000 shares with a fair value of $0.68 per share have been issued) over a three-year period and grant to the optionor a 1.5% net smelter returns royalty. The Company may repurchase one-half of the royalty for $400,000.

Bruce Lake

In March 2019, the Company acquired an option to purchase the Bruce Lake Project located approximately 36 kilometres southeast of Red Lake, Ontario. To purchase the property, the Company must pay the optionor $51,500 over three years (of which $26,500 has been paid), issue 110,000 shares over a two-year period (all of which shares have been issued with a fair value of $0.47 per share) and grant a 1.5% net smelter returns royalty of which the Company may repurchase half for $400,000.

In March 2021, the Company entered into an agreement with BTU Metals Ltd. granting BTU an option to acquire up to an 80% ownership interest in the Bruce Lake property. To exercise its option, BTU must pay to the Company cash totalling $75,000, issue 1,400,000 common shares of BTU, and incur exploration expenditures on the property not less than $1,000,000 over three years. BTU, at its discretion, may elect to stay at certain, fixed percentages over the course of the option, at which time a definitive joint venture agreement will be entered into by the companies.

McInnes Lake

In February 2021, the Company staked the McInnes Lake property, which comprises 31 contiguous claims covering approximately 11,424 hectares and located 117 kilometres north of Red Lake, Ontario.

Red Lake North

In February 2021, the Company acquired an option to purchase the Red Lake North property located approximately 65 kilometres north of Red Lake, Ontario. To purchase the property, the Company must pay the optionor $109,000 over two years (of which $27,000 has been paid), issue 90,000 shares over two years (of which 30,000 shares with a fair value of $0.40 per share have been issued) and grant a 1.5% net smelter returns royalty of which the Company may repurchase half for $600,000.

7. Share Capital

Authorized

An unlimited number of common shares without par value

Common Shares

In July 2019, the Company issued 40,000 common shares at a price of $0.15 per share upon the exercise of incentive stock options.

In August 2019, the Company issued 250,000 common shares at a price of $0.20 per share upon the exercise of warrants.

In September 2019, the Company completed a private placement of 827,500 flow-through units at a price of $0.65 per unit for gross proceeds of $537,875. Each unit consisted of one common share and one share purchase warrant. Each warrant, in turn, entitles the holder to purchase an additional non-flow-through common share at $1.00 until September 27, 2021. The Company paid finders' fees in respect of the offering of $41,243 cash and 35,850 warrants exercisable at $0.65 per share until September 27, 2021 and with a fair value of $7,575. The Company estimated the fair value of the portion of the flow-through shares relating to the flow-through premium at $0.07 per share.

In October 2019, the Company issued 200,000 non-flow-through units at a price of $0.50 per unit pursuant to a private placement. Each unit consisted of one common share and one share purchase warrant. Each warrant, in turn, entitles the holder to purchase an additional common share at a price of $1.00 until October 3, 2021. The Company paid a finder's fee in respect of the offering of $6,000 in cash and 12,000 agent's warrants exercisable at $0.50 per share until October 3, 2021 and with a fair value of $2,531.

In December 2019, the Company issued 100,000 common shares at a price of $0.20 per share upon the exercise of warrants.

In January 2020, the Company issued 200,000 common shares at a price of $0.20 per share upon the exercise of warrants.

In January 2020, the Company issued 206,150 common shares at an average price of $0.17 per share upon the exercise of incentive stock options.

In February 2020, the Company issued 50,000 common shares at a price of $0.20 per share upon the exercise of warrants.

7. Share Capital (continued)

Common Shares (continued)

In February 2020, the Company completed a private placement of 1,150,000 flow-through common shares at a price of $1.00 per share for gross proceeds of $1,150,000. The Company paid finders' fees in respect of the offering of $69,000 and 69,000 warrants exercisable at $1.00 per share until February 19, 2022 and with a fair value of $22,380. The Company estimated the fair value of the portion of the flow-through shares relating to the flow-through premium at $0.18 per share.

In May 2020, the Company issued 350,000 common shares at an average price of $0.66 per share pursuant to three options to purchase exploration and evaluation assets.

In August 2020, the Company issued 125,000 common shares at a price of $0.62 per share pursuant to an option to purchase an exploration and evaluation asset.

In September 2020, the Company issued 200,000 common shares at a price of $0.20 per share upon the exercise of warrants.

In September 2020, the Company completed a private placement of 1,000,000 units at a price of $0.50 per unit. Each unit consisted of one common share and one share purchase warrant. Each warrant, in turn, entitles the holder to purchase an additional common share at a price of $0.75 until September 24, 2022. The Company paid finders' fees in respect of the offering totalling $28,800 in cash and 57,600 finders' warrants exercisable at $0.50 per share until September 24, 2022 and with a fair value of $19,505.

In November 2020, the Company issued 14,000 common shares at a price of $0.15 per share upon the exercise of stock options. The Company's common shares were trading at a price of $0.75 per share when these stock options were exercised.

Between October and December 2020, the Company issued 715,000 common shares at a price of $0.20 per share upon the exercise of warrants.

In December 2020, the Company completed a private placement of 1,808,133 flow-through common shares at a price of $0.75 per share. The Company paid finders' fees in respect of the offering totalling $72,141 in cash and 96,188 finders' warrants exercisable at $0.75 per share until December 2, 2022 and with a fair value of $54,939. The Company estimated the fair value of the portion of the flow-through shares relating to the flow-through premium at $0.01 per share.

7. Share Capital (continued)

Common Shares (continued)

Also in December 2020, the Company completed a private placement of 1,111,111 units at a price of $0.90 per unit. Each unit consisted of one common share and one share purchase warrant. Each warrant, in turn, entitles the holder to purchase an additional common share at a price of $1.35 until December 8, 2022.

In December 2020, the Company issued 125,000 common shares at a price of $1.01 per share pursuant to an option to purchase an exploration and evaluation asset.

In January 2021, the Company issued 11,616 common shares at a price of $0.50 per share upon the exercise of warrants.

In February and March 2021, the Company issued 1,100,000 common shares at a price of $0.20 per share upon the exercise of warrants.

In February 2021, the Company issued 30,000 common shares at a price of $0.40 per share pursuant to an option to purchase an exploration and evaluation asset.

In March 2021, the Company issued 206,000 common shares at a price of $0.15 per share upon the exercise of stock options. The Company's common shares were trading at a weighted average price of $0.39 per share when these stock options were exercised.

In March 2021, the Company issued 50,000 common shares at a price of $0.405 per share pursuant to an option to purchase an exploration and evaluation asset.

Warrants

As of March 31, 2021, the Company had outstanding warrants to purchase a total of 3,397,633 common shares (June 30, 2020 – 3,544,350). Of this total, 827,500 warrants may be exercised at $1.00 until September 27, 2021, 35,850 warrants may be exercised at $0.65 until September 27, 2021, 200,000 warrants may be exercised at $1.00 until October 3, 2021, 12,000 warrants may be exercised at $0.50 until October 3, 2021, 69,000 warrants may be exercised at $1.00 until February 19, 2022, 1,000,000 warrants may be exercised at $0.75 until September 24, 2022, 45,984 warrants may be exercised at $0.50 until September 24, 2022, 96,188 warrants may be exercised at $0.75 until December 2, 2022 and 1,111,111 warrants may be exercised at $1.35 until December 8, 2022. A summary of the warrants and the changes for the periods ending on those dates are as follows:

7. Share Capital (continued)

Warrants (continued)

	March 31, 2021		June 30, 2020	
	Number of Warrants	Weighted Average Exercise Price	Number of Warrants	Weighted Average Exercise Price
Balance, beginning of period	3,544,350	$ 0.45	3,000,000	$ 0.20
Issued	2,264,899	1.04	1,144,350	0.98
Exercised or expired	(2,411,616)	0.20	(600,000)	0.20
Balance, end of period	3,397,633	$ 1.02	3,544,350	$ 0.45

In respect of private placements in September and December 2020, respectively, the Company issued finders' warrants to purchase 57,600 shares of the Company at a price of $0.50 per share until September 24, 2022 and 96,188 shares at a price of $0.75 per share until December 2, 2022. The fair value of finders' warrants was estimated using the Black-Scholes option valuation model with the following assumptions:

Number of finders' warrants	153,788
Estimated life	2 years
Share price at date of issuance	$ 0.77
Finders' warrant exercise price	$ 0.66
Risk-free interest rate	0.26%
Estimated annual volatility based on historical volatility	120%
Expected dividends	-
Finders' warrant fair value	$ 0.48
Value of finders' warrants	$ 74,444

Share-Based Compensation

The Company adopted, and its shareholders approved, a stock option plan whereby up to a maximum of 10% of the outstanding shares of the Company as of the date of grant are reserved for the grant and issuance of incentive stock options. Under the plan, the exercise price of an option may not be set at less than the minimum price permitted by the TSX Venture Exchange, and the options may be exercisable for up to 10 years. The aggregate number of options granted to any one individual during any twelve-month period may not exceed 5% of the issued shares of the Company, or 2% in the case of consultants and investor relations representatives. Stock options granted to investor relations representatives vest in four equal quarterly amounts on each three-month anniversary following the date of the grant.

7. Share Capital (continued)

Share-Based Compensation (continued)

The Company granted no stock options during the nine-month period ended March 31, 2021. The Company granted stock options in July 2019 to purchase 200,000 shares of the Company at a price of $0.65 per share until July 29, 2024, in November 2019 to purchase 100,000 shares of the Company at a price of $0.41 per share until November 8, 2024, and 1,175,000 shares of the Company at a price of $0.60 per share until November 24, 2024.

As of March 31, 2021, the Company had outstanding stock options, which may be exercised to purchase a total of 2,410,000 shares (June 30, 2020 – 2,630,000). Of this total, 365,000 options may be exercised at $0.15 until May 2, 2021, 570,000 options may be exercised at $0.20 until February 21, 2024, 200,000 options may be exercised at $0.65 until July 29, 2024, 100,000 options may be exercised at $0.41 until November 8, 2024, and 1,175,000 options may be exercised at $0.60 until November 24, 2024. A summary of the Company's stock options as of March 31, 2021 and June 30, 2020, and the changes for the periods ending on those dates are as follows:

	Options Outstanding			Options Exercisable		
	Number Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)	Number Exercisable	Weighted Average Exercise Price	Weighted Average Remaining Life (Years)
Balances, June 30, 2019	1,401,150	0.17	3.2	1,401,150	0.17	3.2
Options granted	1,475,000	0.59		1,475,000	0.59	
Options exercised	(246,150)	0.17		(246,150)	0.17	
Balances, June 30, 2020	2,630,000	$ 0.41	3.4	2,630,000	$ 0.41	3.4
Options granted	-	-		-	-	
Options exercised	(220,000)	0.15		(220,000)	0.15	
Balances, March 31, 2021	2,410,000	$ 0.43	2.9	2,410,000	$ 0.43	2.9

8. Related Party Transactions

The following transactions with related parties have been valued in these condensed interim financial statements at the exchange amount, which is the amount of consideration established and agreed to by the parties:

8. Related Party Transactions (continued)

Key Management Compensation

a) During the nine-month period ended March 31, 2021, the Company paid management and administration fees of $40,000 (2020 – $36,000) to a corporation controlled by the Company's Chief Executive Officer;
b) During the nine-month period ended March 31, 2021, the Company paid management and administration fees of $6,750 (2020 – $6,750) to the Company's Chief Financial Officer;
c) During the nine-month period ended March 31, 2021, the Company paid consulting and professional fees of $52,110 (2020 – $22,608) to a corporation controlled by the Company's Chief Compliance Officer;
d) During the nine-month period ended March 31, 2021, the Company paid management and administration fees of $19,000 (2020 – $15,000) to the Company's Corporate Secretary; and
e) During the nine-month period ended March 31, 2020, the Company granted stock options to purchase up to a total of 850,000 shares at $0.60 per share until November 24, 2024 and with a fair value of $329,799 to six directors and officers.

Amounts due to related parties are without interest, unsecured and without stated terms of repayment.

9. Cash

Cash consists of bank balances and short-term deposits with banks. Cash included in the Condensed Interim Statements of Cash Flows comprises the following amounts:

	2021	2020
Bank balances	$ 1,289,579	$ 324,570
Bank balances restricted for exploration	242,373	1,062,693
Balance, end of period	$ 1,531,952	$ 1,387,263

10. Non-Cash Transactions

During the nine-month period ended March 31, 2021, the Company issued a total of 153,788 warrants with a fair value of $74,444 as finders' fees in respect of a private placement, and issued 330,000 common shares with a fair value of $236,000 pursuant to options to purchase exploration and evaluation assets.

During the nine-month period ended March 31, 2020, the Company issued 116,850 warrants with a fair value of $32,486 as finders' fees in respect of three private placements.

As of March 31, 2021, the Company had $245,995 of accounts payable included in exploration and evaluation assets (June 30, 2020 – $190,159).

11. Subsequent Events

In April and May 2021, the Company issued 205,000 shares at a price of $0.15 per share in respect of the exercise of stock options and 375,000 shares at a price of $0.36 per share pursuant to options to purchase exploration and evaluation assets. In May 2021, options to purchase 160,000 shares at a price of $0.15 per share expired unexercised.

GoldON Resources Ltd.
(An exploration stage company)

Condensed Interim Schedule of Exploration and Evaluation Assets
(Unaudited - Prepared by Management)
Nine month period ended March 31, 2021

	Slate Falls	West Madsen	Red Lake	Bruce Lake	McInnes Lake	Red Lake North	Totals
Acquisition costs							
Option payments, cash	$ -	$ 80,000	$ -	$ 12,000	$ -	$ 27,000	$ 119,000
Option payments, shares	-	203,750	-	20,250	-	12,000	236,000
Staking and renewals	-	1,100	3,134	-	28,500	4,600	37,334
	-	284,850	3,134	32,250	28,500	43,600	392,334
Opening balance	124,288	362,500	69,337	49,234	-	-	605,359
	124,288	647,350	72,471	81,484	28,500	43,600	997,693
Deferred exploration expenditures							
Drilling	-	1,560,540	-	-	-	-	1,560,540
Geochemistry	-	5,375	9,785	-	-	51,535	66,695
Geophysics	11,036	16,500	49,477	-	17,665	-	94,678
Prospecting and mapping	1,294	44,800	4,861	250	-	-	51,205
Reporting and analysis	-	-	-	-	-	250	250
	12,330	1,627,215	64,123	250	17,665	51,785	1,773,368
Opening balance	628,927	681,445	115,748	22,184	-	-	1,448,304
	641,257	2,308,660	179,871	22,434	17,665	51,785	3,221,672
Balance, March 31, 2021	$ 765,545	$ 2,956,010	$ 252,342	$ 103,918	$ 46,165	$ 95,385	$ 4,219,365

The accompanying Notes to the Condensed Interim Financial Statements are an integral part of these financial statements

GoldON Resources Ltd.

(An exploration stage company)

Condensed Interim Schedule of Exploration and Evaluation Assets

(Unaudited - Prepared by Management)

Nine month period ended March 31, 2020

	Slate Falls	West Madsen	Red Lake	Bruce Lake	Totals
Acquisition costs					
Option payments, cash	$ -	$ -	$ -	$ -	$ -
Option payments, shares	-	-	-	-	-
Staking and renewals	11,161	-	6,238	3,634	21,033
	11,161	-	6,238	3,634	21,033
Opening balance	112,821	142,500	16,600	7,600	279,521
	123,982	142,500	22,838	11,234	300,554
Deferred exploration expenditures					
Drilling	356,711	9,602	-	-	366,313
Geophysical	81,398	-	62,013	462	143,873
Prospecting and mapping	54,682	170,625	17,753	15,281	258,341
Reporting and analysis	14,357	-	3,150	3,250	20,757
	507,148	180,227	82,916	18,993	789,284
Opening balance	65,296	84,361	17,072	-	166,729
	572,444	264,588	99,988	18,993	956,013
Balance, March 31, 2020	$ 696,426	$ 407,088	$ 122,826	$ 30,227	$ 1,256,567

The accompanying Notes to the Condensed Interim Financial Statements are an integral part of these financial statements