COPAUR MINERALS INC.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the Six Months Ended December 31, 2022

NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL REPORT

The accompanying unaudited interim financial report of the Company has been prepared by and is the responsibility of the Company's management. The Company's independent auditor has not performed a review of this financial report in accordance with the standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

COPAUR MINERALS INC.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(Expressed in Canadian dollars)

As at	Note		December 31, 2022		June 30, 2022
ASSETS					
Current assets					
Cash		$	766,459	$	1,674,189
Accounts receivable			24,822		-
Sales tax recoverable			83,180		186,183
Prepaid expenses and deposits	5		259,303		276,509
			1,133,764		2,136,881
Non-current assets					
Exploration and evaluation costs	6		37,337,579		35,623,433
Total assets		$	38,471,343	$	37,760,314
LIABILITIES AND DEFICIENCY					
Current liabilities					
Trade and other payables	7	$	562,671	$	938,650
Total liabilities			562,671		938,650
Shareholders' equity					
Share capital	8		50,035,740		48,418,983
Share-based payments reserve	9		8,934,814		8,885,301
Deficit			(25,675,848)		(25,064,813)
Shareholders' equity attributable to the owners of the Company			33,294,706		32,239,471
Non-controlling interest	12		4,613,966		4,582,193
Total shareholders' equity			37,908,672		36,821,664
Total liabilities and deficiency		$	38,471,343	$	37,760,314

Continuity of operations (Note 2)
Subsequent events (Note 15)

The financial statements were authorised for issue by the board of directors on March 1, 2023 and were signed on its behalf by:

"Jeremy Yaseniuk" Director
Chief Executive Officer

"Conrad Swanson" Director
President, Chairman

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

COPAUR MINERALS INC.
CONSOLIDATED STATEMENT OF COMPREHENSIVE LOSS
THREE MONTHS AND SIX MONTHS ENDED DECEMBER 31,
(Expressed in Canadian dollars)

	Note	For the three months ending December 31, 2022	For the three months ending December 31, 2021	For the six months ending December 31, 2022	For the six months ending December 31, 2021
EXPENSES					
Accounting and administration	10	$ 43,000	$ 33,000	$ 76,000	$ 66,000
Consulting		4,000	29,167	7,500	63,240
Marketing and conferences		59,012	91,733	179,105	151,733
Management fees	10	60,000	60,000	120,000	120,000
Office and miscellaneous		29,615	7,017	44,683	9,213
Professional fees		72,792	42,623	117,383	46,123
Rent		3,600	3,600	14,431	7,200
Share-based payments	9	-	214,192	-	214,192
Transfer agent and filing fees		16,012	28,786	19,980	37,499
Travel and promotion		22,910	27,973	31,953	30,221
		(310,941)	(538,091)	(611,035)	(745,421)
OTHER ITEMS					
Interest income		-	1,091	-	1,091
Other income realization of flow-through premium liability	8	-	38,628	-	171,516
		-	39,719	-	172,607
Net and comprehensive loss for the period		$ (310,941)	$ (498,372)	$ (611,035)	$ (572,814)
Basic and diluted loss per common share	8	$ (0.01)	$ (0.01)	$ (0.02)	$ (0.02)
Weighted average number of common shares outstanding		52,399,123	22,333,823	53,065,313	22,410,818

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

COPAUR MINERALS INC.
CONSOLIDATED STATEMENT OF CHANGES IN DEFICIENCY
FOR THE SIX MONTHS ENDED DECEMBER 31,
(Expressed in Canadian dollars)

	Note	Number of shares		Share capital		Share-based payments reserve		Deficit		Non-controlling interest		Total equity
Balance, June 30, 2021		21,053,192	$	24,514,729	$	4,166,251	$	(23,719,724)	$	-	$	4,961,256
Issued for cash – flow-through shares	8	1,900,655		2,090,721		-		-		-		2,090,721
Flow-through share premiums	8	-		(304,015)		-		-		-		(304,015)
Finder warrants issued	8	-		(57,472)		57,472		-		-		-
Share-based payments	9	-		-		214,192		-		-		214,192
Share issue costs		-		(126,029)		-		-		-		(126,029)
Comprehensive loss for the period		-		-		-		(572,814)		-		(572,814)
Balance, December 31, 2021		22,953,847	$	26,117,934	$	4,437,915	$	(24,292,538)	$	-	$	6,263,311

	Note	Number of shares		Share capital		Share-based payments reserve		Deficit		Non-controlling interest		Total equity
Balance, June 30, 2022		50,905,409	$	48,418,983	$	8,885,301	$	(25,064,813)	$	4,582,193	$	36,821,664
Issued for cash-non-flow through shares	8	3,537,000		1,768,500		-		-		-		1,768,500
Stock option exercise	8	60,000		9,000		-		-		-		9,000
Finder warrants issued	8	-		(49,513)		49,513		-		-		-
Share issue costs	8	-		(111,230)		-		-		-		(111,230)
Non-controlling interest – Kinsley Gold LLC		-		-		-		-		31,773		31,773
Comprehensive loss for the period		-		-		-		(611,035)		-		(611,035)
Balance, December 31, 2022		54,502,409	$	50,035,740	$	8,934,814	$	(25,675,848)	$	4,613,966	$	37,908,672

COPAUR MINERALS INC.
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31,
(Expressed in Canadian dollars)

	2022	2021
CASH FLOWS FROM (TO) OPERATING ACTIVITIES		
Net loss for the period	$ (611,035)	$ (572,814)
Items not affecting cash:		
Share-based payments	-	214,192
Flow-through share premium	-	(171,516)
	(611,035)	(530,138)
Changes in non-cash working capital items:		
Sales tax recoverable	78,182	(101,258)
Prepaid expenses	17,207	386,662
Trade and other payables	(375,979)	(577,036)
Net cash used in operating activities	(891,625)	(821,770)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition costs of exploration and evaluation assets	(181,499)	(5,000)
Investment in exploration and evaluation assets	(1,500,876)	(2,112,943)
Convertible note receivable	-	(1,081,993)
Net cash used in investing activities	(1,682,375)	(3,199,936)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from share issuance	1,777,500	2,090,721
Cash share issue costs	(111,230)	(126,029)
Net cash from financing activities	1,666,270	1,964,692
Change in cash during the period	(907,730)	(2,057,014)
Cash, beginning of the period	1,674,189	3,271,584
Cash, end of the period	$ 766,459	$ 1,214,570

Supplemental disclosures with respect to cash flows (Note 12)

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

1. NATURE OF BUSINESS

CopAur Minerals Inc. (the "Company") was incorporated under the laws of British Columbia, Canada and maintains its registered and head office at 888 – 700 West Georgia St. Vancouver, British Columbia, Canada, V7Y 1G5. The Company is engaged in the acquisition, exploration, and development of mineral properties in Canada. The common shares of the Company are listed for trading on the TSX Venture Exchange (TSX-V) under the symbol "CPAU".

On November 30, 2021, the Company entered into a binding letter agreement ("Letter Agreement') with New Placer Dome Gold Corp. ("NPD") pursuant to which the Company would acquire all of the issued and outstanding common shares of NPD by way of a Plan of Arrangement under the Business Corporations Act (British Columbia) (the "Transaction"). Under the terms of the Letter Agreement, NPD shareholders received, for each common share of NPD held, 0.1182 common shares of the Company (the "Exchange Ratio"). All existing NPD share purchase warrants were exchanged for Company share purchase warrants exercisable to acquire Company common shares, adjusted to reflect the Exchange Ratio. All stock options to acquire NPD shares were exchanged for stock options to acquire Company common shares, adjusted to reflect the Exchange Ratio, provided that the term of any options held by an existing option holder that will not be continuing as a director, officer, employee or consultant of Company post-completion of the Transaction will be subject to a maximum term of 12 months. On May 12, 2022, the Transaction was completed and NPD became a wholly-owned subsidiary of the Company.

See Notes 9 and 12.

2. CONTINUITY OF OPERATIONS

These consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to a going concern, which contemplates the continued realization of assets and the settlement of liabilities as they become due in the normal course of business.

However, the use of such principles may not be appropriate because of the presence of material uncertainties in relation to the ability of the Company to continue as a going concern. As at December 31, 2022, the Company had a cash balance of $766,459 (June 30, 2022 - $1,674,189) compared with trade payables owing to non-related parties of $551,411 (June 30, 2022 - $838,322), and an accumulated deficit of $25,675,848 (June 30, 2022 - $25,064,813). During the six months ended December 31, 2022, the Company raised $1,768,500 (2022 - $522,060) in financing and $9,000 (2022 - $Nil) from the exercise of stock options/share purchase warrants. During the six months ended December 31, 2022, the Company had net operating cash outflows of negative $891,625 (2022 – negative $277,275) and continues to generate no income from operations.

The mineral exploration business is subject to inherent risks, including uncertainties in respect to the recoverability of ore on an economic basis, the related volatility of commodity prices, and access to capital in the context of requiring significant levels of same. Amounts capitalized to exploration and evaluation costs are subject to specific uncertainty as to their recoverability, absent the completion of the exploration work necessary to provide evidence of mineral reserves and economic feasibility.

These material uncertainties cast significant doubt as to the ability of the Company to continue to meet its obligations as they come due and, accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

The ability of the Company to continue as a going concern in the near-term is dependent on continued financial support from current shareholders and other related parties, otherwise obtaining equity financing on terms which are acceptable to the Company, and potentially considering other unrelated business opportunities. In recognition of these circumstances, the Company is continuing to investigate possible sources of financing as well as alternatives, including partnerships, to continue with the evaluation of its mineral properties.

2. CONTINUITY OF OPERATIONS (cont'd)

While there can be no assurance that these initiatives will be successful, management believes that related party support and additional financing will contribute adequate cash flow for the Company to continue as a going concern. These financial statements do not reflect any adjustments to the carrying values of assets, liabilities and reported expenses and balance sheet classifications that might be necessary should the Company be unable to generate the necessary capital and continue as a going concern. Such adjustments could be material.

3. BASIS OF PREPARATION

Statement of compliance

These condensed interim consolidated financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by International Accounting Standards Board ("IASB"), applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34 *Interim Financial Reporting*. The condensed interim financial statements do not include all of the disclosures required for a complete set of annual financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2022, which have been prepared in accordance with IFRS as issued by the IASB.

Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Functional and presentation currency

At management's discretion, these financial statements are presented in Canadian dollars.

Functional currencies are a question of fact based broadly upon management's assessment of the primary operating economic environment applicable to each component entity in a consolidated group. The functional currencies of both the Company and each of its newly-acquired subsidiaries is currently assessed to be the Canadian dollar.

Transactions entered into involving foreign currencies are translated to Canadian dollars using exchange rates in effect on the applicable dates, with average rates used as practicable. Period end monetary asset and liability balances are translated using the period end spot rate, while non-monetary assets remain based on the cumulative Canadian dollar historical amounts.

Use of estimates and judgements

The preparation of these financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates.

3. BASIS OF PREPARATION (cont'd)

Critical judgment in applying accounting policies:

The following are critical judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements:

(i) The determination that the Company will continue as a going concern for the next year involves judgment regarding the nature, timing and extent of future funding available for exploration projects and working capital requirements; and

(ii) The application of the Company's accounting policy for unproven mineral right interests and specifically the related exploration and evaluation costs requires judgment in determining whether material indicators of impairment exist in the manner outline under the applicable IFRS standard. This standard, in the context whereby it provides for the continued deferral of exploration costs, is generally not as robust as that applicable to other items of property, plant and equipment. Accordingly, judgments are necessary both in connection with management's assessments in this area and to ensure that the inevitable measurement uncertainty is fully and fairly disclosed.

4. SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The financial statements of the Company consolidate the accounts of the Company and its subsidiaries. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intercompany transactions, balances and unrealized gains and losses from intercompany transactions are eliminated on consolidation.

Subsidiaries are all entities (including structured entities) over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

The principal subsidiaries of the Company and their geographic locations at December 31, 2022 were as follows:

Name of Subsidiary	**Location**	**Proportion of ownership interest**
New Placer Dome Gold Corp.	Canada	100%
1208958 BC Ltd.*	Canada	100%
Barrian Mining (US) Corp.*	USA	100%
Kinsley Gold LLC	USA	79.99%

**Wholly-owned subsidiaries of NPD.*

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Equipment

Equipment is recorded at cost less accumulated amortization and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset into operation and an initial estimate of any rehabilitation obligation. Amortization is recognized on a declining balance basis over their estimated useful lives at annual rates of 30% for office furniture and equipment, 30% for computer equipment and 100% for computer software. Additions during the year are amortized at one-half the annual rate. An item of equipment is derecognized upon disposal, when held for sale or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the statement of comprehensive income. The Company conducts an annual assessment of the residual balances, useful lives and depreciation methods being used for equipment and any changes arising from the assessment are applied by the Company prospectively.

Exploration and evaluation costs

Once a license to explore an area has been secured, all direct costs related to the acquisition, exploration and evaluation of mineral property interests are capitalized into intangible assets on a property-by-property basis until such time that technical feasibility and commercial viability of extracting a mineral resource has been determined for a property, in which case the capitalized exploration and evaluation costs are transferred and capitalized into property, plant and equipment. The Company records expenditures on exploration and evaluation activities at cost. Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Proceeds received from a partial sale or options of any interest in a property are credited against the carrying value of the property. When the proceeds exceed the carrying costs, the excess is recorded in the statement of loss and comprehensive loss in the period the excess is received. When all of the interest in a property is sold, subject only to any retained royalty interests which may exist, the accumulated property costs are written-off, with any gain or loss included in the statement of loss and comprehensive loss in the period the transfer takes place. No initial value is assigned to any retained royalty interest. A royalty interest is subsequently assessed for value by reference to developments on the underlying mineral property.

Exploration and evaluation costs incurred reflect actual historic amounts only and are not intended to represent current or future fair or realizable values.

Impairment of non-financial assets

Management assesses the exploration and evaluation assets and equipment for impairment at least annually and whenever events or changes in circumstances indicate that carrying amounts may not be recoverable. For exploration and evaluation assets, the assessment is based on the development program, the nature of the mineral deposit, commodity prices and the Company's intentions and ability for development of the undeveloped property. If, after management review, it is determined that the carrying amount of an asset is impaired, that asset is written down to its estimated recoverable amount. The recoverable amount of an asset is determined as the higher of its fair value less costs to sell and its value in use. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Provision for decommissioning and restoration

As at December 31, 2022, the Company has no known or material restoration, rehabilitation or environmental liabilities related to its mineral properties.

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. On initial recognition, financial assets are classified and measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI").

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is to holds assets to collect contractual cash flows, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the statement of loss and comprehensive loss.

The Company's financial instruments are classified and subsequently measured as follows:

Account	Classification
Cash	Amortized cost
Investment	Amortized cost
Trade and other payables	Amortized cost

<u>Impairment</u>

The Company recognizes an allowance using the Expected Credit Loss ("ECL") model on financial assets classified as amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts recoverable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified as amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after impairment loss is recognized, a reversal of impairment is recognized in the statement of loss and comprehensive loss.

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Share capital

The Company records proceeds from the issuance of its common shares as share capital, a component of equity. Incremental costs directly attributable to the issuance of new common shares are shown in equity as a deduction, net of any current tax, from the proceeds. Common shares issued for consideration other than cash are valued based on their market value at the date that shares are issued.

The Company engages in private placement financing transactions that may involve issuance of units, comprising of common shares and warrants. Warrants that are part of units are valued based on the residual value method and included in share capital with the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transaction costs are accounted for as share-based payments.

Share-based payments

The fair value of stock options is determined using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the instrument, expected volatility (based on weighted average historic volatility), weighted average expected life of the instruments (based on historical experience), expected dividends, and the risk-free interest rate (based on government bonds).

Flow-through shares

Canadian tax legislation permits a company to issue flow-through shares, whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. On issue, the share capital is recorded at the trading value, as of the date of issue, of an ordinary common share. The difference between the proceeds and the ordinary common share value is recorded as a flow-through share premium liability. The flow-through share premium liability is recognized as an income tax recovery when the related qualifying expenditures are incurred.

Upon renouncement by the Company of the tax benefits associated with the related expenditures, the loss of tax benefits is recorded as a deferred income tax liability to the extent that these expenditures are capitalized for accounting purposes.

To the extent that pre-existing deferred income tax assets are also available, the Company may use these to reduce or eliminate this liability and record a deferred income tax recovery.

Earnings / loss per share

Basic earnings/loss per share is calculated by dividing the earnings/loss attributable to common shareholders by the weighted-average number of common shares outstanding during the period. The diluted earnings/loss per share reflects all dilutive potential common shares equivalents, which comprise outstanding stock options and share purchase warrants, in the weighted average number of common shares outstanding during the period, if dilutive.

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Leases

At inception of a contract, the Company must assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset over a period of time in exchange for consideration. The Company must assess whether the contract involves the use of an identified asset, whether it has the right to obtain substantially all of the economic benefits from the use of the asset during the term of the contract and if it has the right to direct the use of the asset.

As a lessee, the Company recognizes a right-of-use asset and a lease liability at the commencement date of a given lease.

Right-of-use asset

Right-of-use assets are initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any lease payments made and any initial direct costs incurred at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received. They are subsequently amortized from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, right-of-use assets may be reduced due to impairment losses, if any, and adjusted for certain re-measurements of lease liabilities.

Lease liability

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date discounted by the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. The lease liability is subsequently measured at amortized cost using the effective interest method.

Lease payments included in the measurement of the lease liability comprise: fixed payments; variable lease payments that depend on an index or a rate; amounts expected to be payable under any residual value guarantee; the exercise price under any purchase option that the Company would be reasonably certain to exercise; lease payments in any optional renewal period if the Company is reasonably certain to exercise an extension option; and penalties for any early termination of a lease unless the Company is reasonably certain not to terminate early. The Company has elected to exclude non-lease components related to premises leases in the determination of lease liabilities.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to income on a straight-line basis over the lease term.

5. PREPAID EXPENSES AND DEPOSITS

As at December 31, 2022, the Company's refundable deposits outstanding consisted of the following:

	December 31, 2022	June 30, 2022
Prepaid expenses	$ 211,803	$ 229,009
Reclamation deposits	47,500	47,500
	$ 259,303	$ 276,509

6. MINERAL PROPERTIES

Williams Property

In October 2017, the Company entered into an agreement to purchase a 100% interest in the Williams Property, located in northern British Columbia, for the following consideration:

- The issuance of 200,000 common shares at closing (issued on October 25, 2017);
- The issuance of 50,000 common shares upon the Company announcing an NI 43-101-compliant mineral resource estimate of at least 500,000 ounces of gold; and
- The issuance of an additional 37,500 common shares upon the Company announcing an NI 43-101-compliant mineral resource estimate of at least 1,000,000 ounces of gold.

The Company granted the vendor a 0.50% Net Smelter Return ("NSR") royalty and also assumes the obligation to pay a further 2% NSR stemming from two existing NSR agreements, including a 0.75% NSR previously granted to the vendor's parent company and a 1.25% NSR previously granted to a third-party prospector. Pursuant to terms of the 1.25% NSR with the third-party prospector, the Company also assumes the obligation to make an annual $5,000 advance royalty payment to the prospector and retains the right to buy back 30% of that NSR (0.375%) for $500,000 or 60% of it (0.75%) for $1,000,000.

On October 17, 2017, the Company staked 2,536.49 hectares adjacent to the Williams claims for $4,439.

During the year ended June 30, 2021, the Company staked 2,934.65 hectares adjacent to the Williams claims for $5,135.

Kinsley Mountain Gold Project

The Company's now-wholly-owned subsidiary, NPD, had entered into a definitive purchase option agreement ("Option Agreement" or "Option") dated November 29, 2019, as amended on April 30, 2020, whereby NPD was granted the exclusive right to acquire Liberty Gold Corp.'s ("Liberty") 79.99% interest in Kinsley Gold LLC, a limited liability company holding ownership and leasehold rights in and to 513 unpatented claims and 5 leased patented claims, covering 4,187 hectares, known as the "Kinsley Mountain Project", located in southeast Elko County, Nevada.

To exercise the Option, as amended, NPD was required to issue common shares and make certain cash payments as follows:

- 45 days after TSX Venture Exchange acceptance of the Option (June 2, 2021) (the "Acceptance Date"), pay US$1,250,000 ($1,716,811, paid by NPD) (previously US$2,500,000) in cash, pay US$124,570 ($171,681, paid by NPD) with respect to certain bonds relating to operations on the Kinsley Mountain project and issue such amount of NPD common shares that would result in Liberty holding 9.90% of the common shares of NPD (8,844,124 NPD common shares with a fair value of $2,299,472, issued to Liberty on June 2, 2020);
- Pay US$1,250,000 in cash (NPD paid the equivalent of $1,570,000) and issue NPD common shares with a value of US$1,250,000 on or before the first anniversary of the Acceptance Date (NPD issued 17,222,222 common shares); and
- Pay US$1,250,000 in cash (the Company paid the equivalent of $1,618,685 after it acquired NPD) and issue NPD common shares with a value of US$1,250,000 on or before the second anniversary of the Acceptance Date (the Company issued 2,126,451 common shares in satisfaction of this requirement after it acquired NPD).

6. MINERAL PROPERTIES (cont'd)

Kinsley Mountain Gold Project (cont'd)

NPD and the Company have completed all obligations under the Option Agreement and NPD earned a 79.99% interest in Kinsley Gold LLC. Liberty retains a 1% NSR on 79.99% of proceeds received by Kinsley Gold LLC from products produced from the Kinsley Mountain Project.

The unpatented claims mineral lease agreement held by Kinsley Gold LLC is subject to a further 3% NSR and a minimum expenditure commitment of US$500,000 per year, inclusive of an annual advance royalty payment of US$200,000 per year. The patented claims mineral lease agreement held by Kinsley Gold LLC is subject to a further 2% NSR, inclusive of an annual advance royalty payment of US$20,000.

See Note 12.

Troy Canyon Project

On September 23, 2019, NPD signed an option agreement to acquire a 100% interest in the Troy Canyon gold silver project located in Nye County, Nevada from Brocade Metals Corp. ("Brocade") and Corus Acquisition Corp. ("Corus"). During the year ended June 30, 2021, NPD exercised the option and acquired the 100% interest by completing the following:

- Incurring exploration expenditures of US$30,000, including a non-refundable US$3,500 deposit paid to Brocade to pay for claim maintenance fees;

- Paying cash consideration as follows:
  - US$25,000 paid upon acceptance by the TSX Venture Exchange of this agreement (NPD paid the equivalent of $32,750); and
  - US$25,000 on the first anniversary of the option agreement (NPD paid the equivalent of $33,531);

- Issue NPD common shares as follows:
  - 312,500 common shares upon acceptance by the TSX Venture Exchange of this agreement (issued at a fair value of $125,000); and
  - 625,000 common shares on the first anniversary of the option agreement (issued at a fair value of $268,750); and

- Incur expenditures on the property as follows:
  - US$30,000 prior to the first anniversary of the option agreement, including a US$3,500 non-refundable deposit to Brocade to cover claim maintenance fees (incurred).

Upon exercising the option, NPD granted Corus a 0.5% NSR, re-purchasable at any time for US$500,000.

6. MINERAL PROPERTIES (cont'd)

Bolo Project

On June 27, 2018, as amended on October 24, 2018 and December 31, 2021, NPD entered into an option agreement to acquire an initial 50.01% interest in 187 mineral claims located in Nye County, Nevada comprising the Bolo Project.

To acquire the initial 50.01% property interest, NPD or the Company must:

- Incur exploration expenditures, settleable in cash within seven days of expiry of a given period, as follows:
  - US$500,000 during the 2019 calendar year (completed by NPD);
  - US$750,000 during the 2020 calendar year (cumulative US$1,250,000) (completed by NPD);
  - US$1,250,000 during the 2021 calendar year (cumulative US$2,500,000) (US$400,000 of expenditures were incurred by NPD in 2021, with the remaining US$850,000 settled via payment of US$250,000 cash and issuance of 2,402,119 NPD common shares valued at $0.08 per share); and
  - US$1,500,000 during the 2022 calendar year (cumulative US$4,000,000) (completed by CPAU); and

- Issue common shares with a total value equaling US$1,000,000 as follows:
  - US$250,000 in shares on the final prospectus approval date pursuant to NPD completing its initial public offering (NPD issued 836,375 common shares);
  - US$250,000 in share on the first anniversary of the final prospectus approval date (NPD issued 1,029,610 common shares);
  - US$250,000 in share on the second anniversary of the final prospectus approval date (NPD issued 1,170,483 common shares); and
  - US$250,000 in share on the third anniversary of the final prospectus approval date (NPD issued 1,608,350 common shares).

On December 31, 2022, the Company has provided notice to Allegiant Gold Corp Ltd. and other optionors under the Option Agreement dated June 27, 2018, as amended, to confirm that it has incurred and completed the final US$1.5 million in exploration expenditures to satisfy the remaining option requirements to earn a 50.01% interest in the Bolo Project in Nevada. The Company has also provided notice to Allegiant electing to earn an additional 24.99% interest in the Bolo Project Agreement (the "Additional Interest") under the terms of the Option Agreement by incurring an additional US$4 million in exploration expenditures within two years of the date of notice to earn the Additional Interest.

(Expressed in Canadian dollars)

6. MINERAL PROPERTIES (cont'd)

Expenditures on mineral property acquisition and deferred exploration and development costs for the six months ended December 31, 2022 and the year ended June 30, 2022 are as follows:

Fiscal 2023		Williams Property		Kinsley Property		Bolo Property		Troy Property		Total
Acquisition costs										
Balance, beginning of year	$	434,574	$	23,177,693	$	5,867,872	$	739,106	$	30,219,245
Royalty payments		5,000		-		43,156		-		48,156
Annual lease payments		-		-		133,343		-		133,343
Total acquisition costs		439,574		23,177,693		6,044,371		739,106		30,400,744
Deferred exploration expenditures										
Balance, beginning of year		5,309,696		69,703		24,692		97		5,404,188
Incurred during the year:										
Assays		36,376		14,020		153,143		-		203,539
Camp		13,860		-		113,291				127,151
Drilling		-		-		516,614		-		516,614
Field costs		12,312		37,117		302,803		-		352,232
Geological		51,023		73,767		187,650		-		312,440
Helicopter		1,680		-		-		-		1,680
Travel		1,650		-		17,341		-		18,991
Total exploration expenditures during the year		116,901		124,904		1,290,842		-		1,532,647
Total deferred exploration expenditures		5,426,597		194,607		1,315,534		97		6,936,835
Balance, December 31, 2022	$	5,866,171		23,372,300	$	7,359,905	$	739,203	$	37,337,579

(Expressed in Canadian dollars)

6. MINERAL PROPERTIES (cont'd)

Fiscal 2022	Williams Property	Kinsley Property	Bolo Property	Troy Property	Total
Acquisition costs					
Balance, beginning of year	$ 429,574	-	$ -	$ -	$ 429,574
Acquisition of NPD (Note 12)	-	14,912,417	5,854,860	739,106	21,506,383
Acquisition of Kinsley Gold LLC interest (Note 12)	-	7,985,062	-	-	7,985,062
Royalty payments	5,000	254,774	13,012	-	272,786
Annual lease payments	-	25,440	-	-	25,440
Total acquisition costs	434,574	23,177,693	5,867,872	739,106	30,219,245
Deferred exploration expenditures					
Balance, beginning of year	1,482,033	-	-	-	1,482,033
Incurred during the year:					
Assays	109,689	-	-	-	109,689
Camp	25,914	-	-	-	25,914
Drilling	517,715	-	-	-	517,715
Field costs	1,070,482	-	-	-	1,070,482
First nations consulting	40,000	-	-	-	40,000
Geological	103,636	69,703	24,692	97	198,128
Geophysics	303,952	-	-	-	303,952
Helicopter	1,648,623	-	-	-	1,648,623
Travel	7,652	-	-	-	7,652
Total exploration expenditures during the year	3,827,663	69,703	24,692	97	3,922,155
Total deferred exploration expenditures	5,309,696	69,703	24,692	97	5,404,188
Balance, June 30, 2022	$ 5,744,270	23,247,396	$ 5,892,564	$ 739,203	$ 35,623,433

(Expressed in Canadian dollars)

7. TRADE AND OTHER PAYABLES

The Company's trade and other payables are broken down as follows:

	December 31, 2022	June 30, 2022
Trade payables	$ 466,778	$ 838,357
Accrued expenses	10,000	14,400
Part X11.6 tax	85,893	85,893
	$ 562,671	$ 938,650

Trade payables of the Company are principally comprised of amounts outstanding for trade purchases relating to exploration and general operating activities. The usual credit period taken for trade purchases is between 30 to 90 days.

8. SHARE CAPITAL

Authorized share capital

The Company has authorized an unlimited number of common shares with no par value.

Share issuance

Details of the Company's share capital transactions during the six months ended December 31, 2022 are as follows:

a) During the three months ended September 30, 2022, the Company received proceeds of $9,000 from the exercise of 60,000 incentive stock options.

b) On December 15, 2022, the Company closed a non-brokered private placement comprised of 3,537,000 units at a purchase price of $0.50 per unit for gross proceeds of $1,768,500. Each Unit is comprised of one common share and one-half of one share purchase warrant. Each whole warrant will entitle the holder to acquire an additional common share of the Company at an exercise price of $0.75 per share for a period of two years from the closing date of the private placement.

The Company paid cash finder's fees of $99,680, issued 195,760 finder warrants with an exercise price of $0.50 for a period of two years from the date of closing. In compliance with Canadian securities laws, all of the securities issued in connection with this closing are subject to a four month hold period.

Details of the Company's share capital transactions during the year ended June 30, 2022 are as follows:

a) On July 21, 2021, the Company completed a non-brokered private placement comprised of 474,600 flow-through common shares at a purchase price of $1.10 per share for gross proceeds of $522,060. The Company paid cash finder's fees of $23,628 and other cash share issue costs totalling $3,560. In compliance with Canadian securities laws, all of the securities issued in connection with this closing are subject to a four-month hold period. On issuance, the Company recognized a $132,888 flow-through premium. In fiscal 2022, the Company incurred the required $522,060 in flow-through expenditures, resulting in the flow-through premium being recognized in income.

8. SHARE CAPITAL (cont'd)

Share issuances (cont'd)

b) On November 9, 2021, the Company completed a non-brokered private placement comprised of 1,426,055 flow-through units at a purchase price of $1.10 per unit for gross proceeds of $1,568,661. Each flow-through Unit is comprised of one common share, intended to qualify as a flow-through share under the Income Tax Act (Canada), and one-half of one share purchase warrant. Each whole warrant will entitle the holder to acquire an additional non-flow-through common share of the Company at an exercise price of $1.25 per share for a period of two years from the closing date of the private placement. The Company paid cash finder's fees of $89,698, issued 81,544 finder warrants exercisable at a price of $1.25 per share for two years from the date of closing, valued at $57,472, and paid other cash share issue costs of $10,043. In compliance with Canadian securities laws, all of the securities issued in connection with this closing are subject to a four-month hold period. On issuance, the Company has recognized a flow-through premium of $42,782. In fiscal 2022, the Company incurred the required $1,568,661 in flow-through expenditures, resulting in the flow-through premium being recognized in income.

c) On March 2, 2022, the Company completed a non-brokered private placement comprised of 5,049,285 units at a purchase price of $1.00 per unit for gross proceeds of $5,049,285. Each Unit is comprised of one common share and one-half of one share purchase warrant. Each whole warrant will entitle the holder to acquire an additional common share of the Company at an exercise price of $1.30 per share for a period of two years from the closing date of the private placement. The Company paid cash finder's fees of $117,500, issued 115,000 finder warrants with an exercise price of $1.30 for a period of two years from the date of closing, valued at $97,547, and paid other cash share issue costs of $33,747. In compliance with Canadian securities laws, all of the securities issued in connection with this closing are subject to a four month hold period.

d) During the year ended June 30, 2022, the Company received proceeds of $20,834 from the exercise of 16,667 share purchase warrants.

e) On May 12, 2022, the Company issued 20,759,159 common shares valued at $15,984,552 to acquire the issued and outstanding shares of NPD. The Company incurred cash transactions costs totalling $418,492 in completing the acquisition. See Notes 2 and 12.

f) On May 13, 2022, the Company issued 2,126,451 common shares valued at $1,786,219 (US$1,250,000) to Liberty pursuant to NPD's option to acquire a 79.99% interest in Kinsley Gold LLC. See Notes 7 and 12.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the six months ended December 31, 2022 was based on a net loss of $611,035 (June 30, 2022 - $1,311,756) and a weighted average number of common shares outstanding of 53,065,313 (June 30, 2022 – 27,142,414).

At December 31, 2022, all outstanding stock options and warrants were excluded from the diluted weighted average number of common shares calculation as their effect would have been anti-dilutive.

(Expressed in Canadian dollars)

9. SHARE-BASED PAYMENTS

Stock options

The Company has a stock option plan under which it is authorized to grant options to officers and directors, employees and consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. The exercise price of each option shall not be less than the market price of the Company's stock at the date of grant. The options can be granted for a maximum term of 5 years and vest as determined by the board of directors.

Stock option transactions are summarized as follows:

	Number of Options		Weighted Average Exercise Price
Options exercisable at June 30, 2021	2,092,000	$	0.46
Granted	1,219,621	$	2.92
Options exercisable at June 30, 2022	3,311,621	$	1.34
Exercised	(60,000)		0.15
Options exercisable at December 31, 2022	3,251,621	$	1.33
Weighted average fair value of options granted during the year		$	-

As at December 31, 2022, the following stock options were outstanding with a weighted average remaining contractual life of 2.31 years (June 30, 2022 – 2.87 years):

Number of Options		Exercise Price	Expiry Date
74,613	$	0.85	May 12, 2023
268,905	$	1.87	May 12, 2023
270,264	$	3.39	May 12, 2023
23,640	$	4.40	May 12, 2023
47,280	$	5.50	May 12, 2023
66,783	$	6.77	May 12, 2023
40,630	$	0.85	September 5, 2023
23,566	$	3.39	September 3, 2024
230,000	$	0.11	February 13, 2025
118,200	$	3.39	June 12, 2025
23,640	$	5.50	July 13, 2025
59,100	$	6.77	July 21, 2025
555,000	$	0.17	August 4, 2025
447,000	$	0.25	March 1, 2026
800,000	$	0.91	May 27, 2026
203,000	$	1.10	November 11, 2026
3,251,621			

* See Note 12

(Expressed in Canadian dollars)

9. SHARE-BASED PAYMENTS (cont'd)

Stock options (cont'd)

For the six months ended December 31, 2022 $Nil (2021 - $Nil) was recorded as stock-based compensation related to the issuance of Nil incentive stock options (2021 – Nil). The fair value of the options granted during the year was determined using the Black-Scholes option pricing model with the following weighted average assumptions:

	2022	2021
Risk-free interest rate	-	-
Expected life of finder warrants	-	-
Annualized volatility	-	-
Dividend rate	-	-

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Warrants exercisable at July 31, 2021	2,691,500	$ 1.25
Issued	18,081,447	$ 1.25
Exercised	(16,667)	$ 1.25
Warrants exercisable at July 31, 2022	20,756,280	$ 1.61
Issued	1,768,500	$ 0.75
Warrants exercisable at December 31, 2022	22,524,780	$ 1.54

As at December 31, 2022, outstanding share purchase warrants are:

Number of Warrants		Exercise Price	Expiry Date
2,674,833	*	$ 1.25	May 27, 2023
360,429		$ 2.37	June 2, 2023
6,712,506	*	$ 2.54	June 2, 2023
713,030	*	$ 1.25	November 9, 2023
2,524,642	*	$ 1.30	March 2, 2024
6,619		$ 0.68	November 10, 2024
6,906,916		$ 1.02	November 10, 2024
706,600		$ 1.02	November 12, 2024
150,705		$ 1.02	November 25, 2024
1,768,000		$ 0.75	December 15, 2024
22,524,780			

(Expressed in Canadian dollars)

9. SHARE-BASED PAYMENTS (cont'd)

The fair value of the warrants issued during the year valued using the Black-Scholes option pricing model were valued using the following weighted average assumptions:

	2022	2021
Risk-free interest rate	1.36%-2.58%	-
Expected life of warrants	1.02-2.54 years	-
Annualized volatility	115.2%-140.9%	-
Dividend rate	0%	-

See Note 12.

Finder's Warrants

Finder warrant transactions are summarized as follows:

	Number of Finder's Warrants	Weighted Average Exercise Price
Finder warrants exercisable at July 31, 2021	-	-
Issued	81,544	$ 1.25
Issued	115,000	$ 1.30
Finder warrants exercisable at July 31, 2022	196,544	$ 1.28
Issued	195,760	$ 0.50
Finder warrants exercisable at December 31, 2022	392,304	$ 0.89

As at December 31, 2022, outstanding finder warrants are:

Number of Warrants	Exercise Price	Expiry Date
81,544	$ 1.25	November 9, 2023
115,000	$ 1.30	March 2, 2024
195,760	$ 0.50	December 15, 2024
392,304		

(Expressed in Canadian dollars)

10. RELATED PARTY TRANSACTIONS

Included in trade and other payables is $11,260 (June 30, 2022 - $Nil) owed to companies controlled by key management for services rendered to the Company; this amount owing is unsecured, non-interest bearing, and has no specific terms of repayment.

Included in trade and other payables is $Nil (June 30, 2022 - $Nil) owed to individuals or companies with common directors for accounting and administration fees rendered to the Company; this amount owing is unsecured, non-interest bearing, and has no specific terms of repayment.

Key management includes directors (executive and non-executive) and senior officers of the Company. The compensation paid or payable to key management personnel during the six months ended December 31 is as follows:

		2022		2021
Management fees	$	120,000	$	120,000
Accounting and administration		76,000		66,000
Total	$	196,000	$	186,000

The Company entered into the following transactions relating to key management personnel and entities over which they have control or significant influence during the six months ended December 31, 2022:

a) Paid or accrued management fees of $60,000 (2021 - $60,000) to a private company controlled by the President of the Company.

b) Paid or accrued management fees of $60,000 (2021 - $60,000) to a private company controlled by the Chief Executive Officer of the Company.

c) Paid or accrued accounting fees of $38,000 (2021 - $33,000) to the Chief Financial Officer of the Company.

d) Paid or accrued administration fees of $38,000 (2021 - $33,000) to a private company controlled by the Secretary of the Company.

11. SUPPLEMENTAL DISCLOSURES WITH RESPECT TO CASH FLOWS

During the three months ending December 31, 2022, there were no significant non-cash investing and financing transactions.

There were no supplemental disclosures with respect to cash flows for fiscal 2022.

12. ACQUISITION OF SUBSIDIARIES

The Company's acquisitions of NPD and, through NPD, Kinsley Gold LLC have been accounted for as asset purchases as neither entity met the definition of a business. Both transactions represent, in substance, acquisitions of exploration property interests. Accordingly, the amounts paid currently have been recorded at fair value and allocated on consolidation to the identifiable assets and liabilities of each acquired company based on their current carrying amounts, with any excess values allocated on a pro-rata basis to exploration and evaluation costs.

(Expressed in Canadian dollars)

12. ACQUISITION OF SUBSIDIARIES (cont'd)

New Placer Dome acquisition

On May 12, 2022, the Company completed the acquisition of NPD's issued and outstanding common shares, and replaced NPD's outstanding share purchase options and warrants, by issuing the following purchase consideration valued at a total of $20,334,391:

- 20,759,159 Company common shares valued at $15,984,552 to acquire NPD's 175,627,410 outstanding common shares;
- 1,016,621 Company common share purchase options valued at $152,644 in exchange for NPD's 8,600,875 common share purchase options outstanding. Options issued to parties continuing on as officers or directors of the Company are to expire at the original expiry dates of the previous NPD options exchanged, while options issued to other parties are to expire one year after issuance on May 12, 2023; and
- 14,843,775 Company share purchase warrants valued at $4,197,195 in exchange for NPD's 125,581,845 common share purchase warrants outstanding, with the new warrants to expire at the original expiry dates of the previous NPD warrants exchanged.

The $20,334,391 value of purchase consideration issued was allocated to NPD's assets and liabilities as follows:

Exploration and evaluation assets (see * note below)	$	21,506,383
Cash acquired		817
Amounts receivable		29,110
Prepaid expenses		14,174
Accounts payable		(63,726)
Convertible loan payable by NPD to the Company		(1,152,367)
	$	20,334,391

Kinsley Gold LLC

To the date of its own acquisition by the Company, NPD had incurred $14,669,297 in acquisition payments and exploration expenditures on the Kinsley Mountain Project (the "Project"), a balance of carrying costs which was allocated to the exploration and evaluation assets upon the Company's acquisition of NPD. On the Company's acquisition of NPD, this balance was increased to $14,912,417 based on an assignment of value associated with the consideration issued by the Company in excess of the costs incurred by NPD.

On May 13, 2022, the Company issued 2,126,451 common shares valued at $1,786,219 (US$1,250,000) to Liberty pursuant to NPD's option to acquire a 79.99% interest in Kinsley Gold LLC. In addition, the Company paid cash of $1,618,685 (US$1,250,000) to Liberty.

Upon completion of the agreement with Liberty, the Company, through NPD, acquired a 79.99% interest in Kinsley Gold LLC. At the date of completion of the agreement, the Company's aggregate investment in the Project, as described above, was $18,317,321, a balance which was then allocated to Kinsley Gold LLC's identifiable assets and liabilities acquired as follows:

(Expressed in Canadian dollars)

12. ACQUISITION OF SUBSIDIARIES (cont'd)

Exploration and evaluation assets	$	22,897,479	*
Cash acquired		258	
Prepaid expenses		1,777	
Non-controlling interest		(4,582,193)	
	$	18,317,321	

**Of which $14,912,417 was recognized above within the $21,506,383 recorded on the acquisition of NPD.*

Kinsley Gold LLC is subject to a joint venture agreement between the shareholders, with the Company now as project Operator, in respect to its future exploration activities. The non-controlling interest will be subject to standard dilution provisions in the event of non-participation.

13. FINANCIAL INSTRUMENTS

All financial instruments are included on the Company's statement of financial position and classified and measured at either fair value or amortized cost.

The Company's financial assets consist of cash, which is classified and measured at amortized cost.

The Company's financial liabilities consist of trade and other payables, which are classified and measured at amortized cost.

The carrying values of the Company's financial instruments measured at amortized costs approximate their fair values due to their short-term nature.

The capital of the Company consists of shareholders' equity of $37,908,672 (June 30, 2022 - $36,821,664).

The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. There were no changes in the Company's approach to capital management during the year.

The Company is not subject to any externally imposed capital requirements. The Company relies on capital markets to support continued growth.

14. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk. In the management of capital, the Company includes shareholders' equity in the definition of capital.

The Company manages the 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, the Company may attempt to issue new shares, acquire or dispose of assets.

There were no changes in the Company's approach to capital management during the six months ended December 31, 2022.