INTERNATIONAL BETHLEHEM MINING CORP.

Condensed Consolidated Interim Financial Statements
(Unaudited – Prepared by Management)

For the three months ended March 31, 2022 and 2021
(Expressed in Canadian Dollars)

Contact Information:

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor. The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

INTERNATIONAL BETHLEHEM MINING CORP.

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

As at

		March 31, 2022		December 31, 2021
ASSETS				
Current				
Cash and cash equivalents	$	8,456	$	36,168
Receivables		2,286		4,174
Prepaid expenses		7,166		25,416
		17,908		65,758
Reclamation deposit (Note 4)		45,000		45,000
Receivables (Note 9)		1		1
	$	62,909	$	110,759
LIABILITIES AND SHAREHOLDERS' DEFICIENCY				
Current				
Accounts payable and accrued liabilities (Note 5)	$	274,793	$	284,342
Loans payable (Note 8)		221,500		221,500
		496,293		505,842
Shareholders' deficiency				
Capital stock (Note 6)		13,419,138		13,419,138
Reserves		1,437,227		1,437,227
Deficit		(15,289,749)		(15,251,448)
		(433,384)		(395,083)
	$	62,909	$	110,759

Nature of operations and going concern (Note 1)

Contingency (Note 9)

On behalf of the Board:

"Peter Berdusco" Director *"Edward Rochette"* Director

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

INTERNATIONAL BETHLEHEM MINING CORP.

Condensed Consolidated Interim Statements of Loss and Comprehensive Loss

(Unaudited – Expressed in Canadian Dollars)

	Three Months ended March 31, 2022	Three Months ended March 31, 2021
EXPENSES		
Bank charges and interest (recovery) (Note 5)	$ (594)	$ 610
Management fees (Note 5)	9,000	3,000
Office and miscellaneous (Note 5)	6,922	2,000
Professional fees (Note 5)	11,000	7,776
Rent (Note 5)	7,500	-
Transfer agent and regulatory fees	4,473	2,076
	(38,301)	(15,462)
OTHER ITEM		
Interest income	-	5
Loss and comprehensive loss for the period	$ (38,301)	$ (15,457)
Basic and diluted loss per share	$ (0.00)	$ (0.00)
Weighted average number of common shares outstanding	28,897,617	20,930,951

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

INTERNATIONAL BETHLEHEM MINING CORP.

Condensed Consolidated Interim Statements of Changes in Shareholders' Deficiency

(Unaudited - Expressed in Canadian Dollars)

	Number of Shares	Capital Stock ($)	Share-based Payment Reserve ($)	Warrant Reserve ($)	Deficit ($)	Total Shareholders' Deficiency ($)
Authorized Share Capital:						
Unlimited number of common shares without par value						
Issued:						
Balance, December 31, 2020	**20,930,951**	**13,184,063**	**1,394,427**	**42,800**	**(15,072,473)**	**(451,183)**
Loss for the period	-	-	-	-	(15,457)	(15,457)
Balance, March 31, 2021	**20,930,951**	**13,184,063**	**1,394,427**	**42,800**	**(15,087,930)**	**(466,640)**
Balance, December 31, 2021	**28,897,617**	**13,419,138**	**1,394,427**	**42,800**	**(15,251,448)**	**(395,083)**
Loss for the period	-	-	-	-	(38,301)	(38,301)
Balance, March 31, 2022	**28,897,617**	**13,419,138**	**1,394,427**	**42,800**	**(15,289,749)**	**(433,384)**

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

INTERNATIONAL BETHLEHEM MINING CORP.

Condensed Consolidated Interim Statements of Cash Flows

(Unaudited - Expressed in Canadian Dollars)

For the three months ended March 31, 2022 and 2021

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	$ (38,301)	$ (15,457)
Changes in non-cash working capital items		
Receivables	1,888	(66)
Prepaid expenses	18,250	-
Accounts payable and accrued liabilities	(9,549)	(39,808)
Net cash flows used in operating activities	(27,712)	(55,331)
CASH FLOWS FROM FINANCING ACTIVITIES		
Loan proceeds	-	56,000
Net cash flows provided by financing activities	-	56,000
Change in cash	(27,712)	669
Cash and equivalents, beginning	36,168	287
Cash and equivalents, end	$ 8,456	$ 956
Cash paid for interest	$ -	$ -
Cash paid for income taxes	$ -	$ -

There were no supplemental cash flow information for the periods ended March 31, 2022 and 2021.

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nature of operations

International Bethlehem Mining Corp. (the "Company") was incorporated April 5, 1995 under the laws of the Province of British Columbia. The Company was engaged in the exploration of mineral resource properties, primarily in Canada.

Going concern

These condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

There are several conditions that may cast significant doubt on the Company's ability to continue as a going concern, including that the Company has incurred significant operating losses and accumulated deficits over the past several fiscal years. As at March 31, 2022, the Company is unable to self-finance operations in the long term, has a working capital deficit of $478,385, a deficit of $15,289,749, limited resources, no source of operating cash flow and no assurances that sufficient funding will be available.

The application of the going concern concept is dependent upon the Company's ability to generate future profitable operations and receive continued financial support from its creditors and shareholders. These condensed consolidated interim financial statements do not include any adjustments to the amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue as a going concern. Management is actively engaged in the review and due diligence on new projects, is seeking to raise the necessary capital to meet its funding requirements and has undertaken available cost-cutting measures. There can be no assurance that management's plan will be successful. If the going concern assumption were not appropriate for these condensed consolidated interim financial statements, then adjustments would be necessary in the carrying value of assets and liabilities, the reported expenses and the statement of loss and comprehensive loss classifications used. Such adjustments could be material.

2. BASIS OF PREPARATION

Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting.

The Board of Directors approved the condensed consolidated interim financial statements for issue on May 27, 2022.

Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly-owned inactive subsidiary, Bethlehem Resources (Nevada) Corp. All significant intercompany transactions and balances have been eliminated.

Basis of measurement

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value.

Functional and presentation currency

These condensed consolidated interim financial statements are presented in Canadian dollars, which is the Company's and its subsidiary's functional currency. All financial information is expressed in Canadian dollars unless otherwise stated and have been rounded to the nearest dollar.

Use of estimates and judgements

The preparation of the condensed consolidated interim financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

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

The most significant accounts that require estimates as the basis for determining the stated amounts include the valuation of share-based payments and recognition of deferred tax amounts.

<u>Critical accounting estimates:</u>

a) Share-based payments

The fair value of share options granted is measured using the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price of the option, expected volatility, expected life of the options, expected dividends and the risk-free rate. These estimates will impact the amount of share-based payments recognized.

(Unaudited - Expressed in Canadian Dollars)

2. BASIS OF PREPARATION (Continued)

b) Income taxes

Related assets and liabilities are recognized for the estimated tax consequences between amounts included in the financial statements and their tax base using substantively enacted future income tax rates. Timing of future revenue streams and future capital spending changes can affect the timing of any temporary differences and, accordingly, affect the amount of the deferred tax asset or liability calculated at a point in time.

3. SIGNIFICANT ACCOUNTING POLICIES

In preparation of these condensed consolidated interim financial statements, the Company has consistently applied the same accounting policies as disclosed in the audited consolidated annual financial statements for the year ended December 31, 2021.

4. RECLAMATION DEPOSIT

As at March 31, 2022, the Company has refundable deposits of $45,000 (December 31, 2021 - $45,000) with the British Columbia Ministry of Mines relating to the Company's former Ground Hog Basin, Cottonbelt and LH properties.

5. RELATED PARTY TRANSACTIONS

Key management personnel are the persons responsible for the planning, directing and controlling the activities of the Company and include both executive and non-executive directors, and entities controlled by such persons. The Company considers all Directors and Officers of the Company to be key management personnel.

(a) As at March 31, 2022, accounts payable and accrued liabilities of $53,888 (December 31, 2021 - $56,388) were owing to companies controlled by directors or companies having certain common directors.

(b) The Company paid or accrued the following amounts during the periods ended March 31, 2022 and 2021 to key management and companies controlled by directors and former directors or companies having certain directors and former directors in common:

	2022	2021
Professional fees - accounting	$ 11,000	$ 3,000
Office and miscellaneous - corporate administration fees	6,922	2,000
Management fees	9,000	3,000
Interest	(594)	592
Rent	7,500	-

6. CAPITAL STOCK

a) Authorized share capital

Unlimited common shares with no par value.

b) Issued share capital

There were no shares issued during the period ended March 31, 2022.

(Unaudited - Expressed in Canadian Dollars)

6. CAPITAL STOCK (Continued)

On November 19, 2021, the Company closed a non-brokered private placement offering and raised $239,000 by the issuance of 7,966,666 units at $0.03 per share. Each unit consisted of one common share and one share purchase warrant, with each warrant entitling the holder to purchase an additional common share for a period of one year at an exercise price of $0.05 per share until November 19, 2022.

7. STOCK OPTIONS AND WARRANTS

Stock options

Options to purchase common shares have been granted to directors, officers, employees and consultants at exercise prices determined by reference to the market value on the date of the grant. Under the terms of the Company's rolling stock option plan, dated May 28, 2005, the maximum number of common shares issuable shall not exceed 10% of the issued and outstanding shares of the Company at the time the stock options are granted. Vesting of stock options is at the discretion of the Board of Directors at the time the options are granted.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Outstanding and exercisable, December 31, 2020	**963,000**	**$ 0.05**
Expired	(963,000)	0.05
Outstanding and exercisable, December 31, 2021 and March 31, 2022	**-**	**$ -**

Warrants

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, December 31, 2020	**9,500,000**	**$ 0.06**
Issued	7,966,666	0.05
Balance, December 31, 2021 and March 31, 2022	**17,466,666**	**$ 0.06**

The following warrants were exercisable and outstanding at:

Expiry Date	Exercise Price	Number of Warrants
December 21, 2022	$ 0.06	8,000,000
May 7, 2024	$ 0.06	1,500,000
November 19, 2022	$ 0.05	7,966,666
Outstanding and exercisable		**17,466,666**

8. LOANS PAYABLE

As at March 31, 2022 the outstanding loan payable balance is $221,500 (December 31, 2021 - $221,500). The loans are non-interest bearing, unsecured with no repayment terms.

9. CONTINGENCY

The Company was reassessed for certain prior years' taxation filings (principally from 2003 and 2004) by the Canada Revenue Agency ("CRA") pertaining to the renunciation of its flow-through expenditures. Also, individual investors in certain flow-through shares may be impacted by the reassessments. The Company has been assessed taxes of $339,195 and interest and penalties of approximately $346,000 as of March 31, 2022, and CRA is currently withholding approximately $280,000 of the Company's GST and METC refunds. On April 15, 2015, the Company received a Notice of Confirmation from CRA which indicated that CRA had disallowed the Notices of Objection previously filed by the Company. The Company does not believe that the issues raised by the Company in its Notices of Objection were properly addressed by CRA and the Company filed an Appeal to the Tax Court of Canada, consequently no accrual has been made.

Due to delays in attempting to resolve the claim with CRA and the uncertainty with the final outcome, on December 31, 2018 the Company took a provision of $260,838 against the receivable leaving a balance of $1.

On December 14, 2021, the Company received a letter from the Tax Court of Canada notifying the Company that the hearing for the appeal is scheduled for October 17, 2022.

10. CAPITAL MANAGEMENT

The Company's shareholders' deficiency comprises its capital under management. The Company's objectives when managing capital are to safeguard the Company's 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.

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 the capital structure, the Company may attempt to issue new shares, issue new debt, acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. 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.

In order to maximize ongoing development efforts, the Company does not pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments with maturities of 365 days or less from the original date of acquisition, selected with regard to the expected timing of expenditures from continuing operations.

To fund future operations and exploration activities the Company will need to raise funds through future share issuances, issue new debt or dispose of assets.

There have been no changes to the Company's approach to capital management during the period ended March 31, 2022. The Company is not subject to externally imposed capital requirements.

11. SEGMENTED INFORMATION

The Company had one operating segment, mineral exploration. All assets of the Company are located in Canada.

12. FINANCIAL INSTRUMENTS

Fair value

The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 – 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 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company classifies its cash and cash equivalents as fair value through profit or loss and its receivables, accounts payable and accrued liabilities and loans payable at amortized cost.

The carrying values of receivables, accounts payable and accrued liabilities and loans payable approximate their fair values due to the short-term maturity of these financial instruments.

The Company's risk exposure and the impact on the Company's financial instruments are summarized below.

Credit risk

Credit risk is the risk of financial loss to the Company if a counter party to a financial instrument fails to meet its payment obligations. The Company is exposed to credit risk with respect to its cash and cash equivalents and receivables.

Management believes that the credit risk concentration with respect to cash and cash equivalents is remote as it maintains accounts with highly-rated financial institutions.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in satisfying financial obligations as they become due. The Company manages its liquidity risk by forecasting cash flows from operations and anticipated investing and financing activities. At March 31, 2022, the Company had accounts payable and accrued liabilities of $274,793 (December 31, 2021 - $284,342). Based on the current funds held as at March 31, 2022, the Company does not have sufficient working capital for the short term and will need to rely upon financing from shareholders and/or debt holders to obtain sufficient working capital in the long term. There is no assurance that such financing will be available on terms and conditions acceptable to the Company.

12. FINANCIAL INSTRUMENTS (Continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk.

(i) Interest rate risk

Interest rate risk consists of two components:

(a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in the prevailing market interest rates, the Company is exposed to interest rate cash flow risk.

(b) To the extent that changes in prevailing market rates differ from the interest rate in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company is not exposed to significant interest rate risk.

(ii) Foreign currency risk

The Company is not exposed to significant foreign currency risk.

(iii) Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to other price risk.