Newlox Gold Ventures Corp.

Years Ended March 31, 2022 and 2021

Consolidated Financial Statements

(Expressed in Canadian Dollars)

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Newlox Gold Ventures Corp.

Opinion

We have audited the consolidated financial statements of Newlox Gold Ventures Corp. (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2022 and 2021, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 to the financial statements, which describes events or conditions which indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is David Goertz.

DMCL

DALE MATHESON CARR-HILTON LABONTE LLP
CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, BC

August 29, 2022

MOORE

An independent firm
associated with Moore
Global Network Limited

Newlox Gold Ventures Corp.

Consolidated Statements of Financial Position

(Expressed in Canadian Dollars)

	Note	March 31, 2022	March 31, 2021
		$	$
ASSETS			
Current assets			
Cash		3,508,598	2,954,496
Accounts receivable		-	61,164
Inventory	19	32,248	-
GST receivable		85,953	52,565
Prepaid expense	18	86,097	112,927
		3,712,896	3,181,152
Non-current assets			
Investment in joint venture	12	131,271	59,728
Property, plant and equipment	6	2,277,949	299,483
Right of use	16	40,498	39,845
		2,449,718	399,056
Total Assets		**6,162,614**	**3,580,208**
LIABILITIES			
Current			
Accounts payable and accrued liabilities	8	281,509	153,873
Gold purchase option	10	-	15,850
Due to related parties	14	227,044	197,354
Lease Liabilities	17	21,909	11,019
Deferred revenue	9	65,482	65,482
		595,944	443,578
Non-current liabilities			
Convertible debentures	15	2,377,689	3,302,021
Lease Liabilities	17	29,957	26,254
Deferred revenue - long-term	9	78,968	144,450
		3,082,558	3,916,303
SHAREHOLDERS' EQUITY			
Share Capital	11	12,853,730	5,458,981
Contributed surplus	11	542,893	2,249,918
Equity Component of Debentures	15	367,345	584,824
Foreign currency translation reserve		22,824	219,438
Deficit		(10,706,736)	(8,849,256)
		3,080,056	(336,095)
Total liabilities and equity		**6,162,614**	**3,580,208**

Nature of operations and going concern (Note 1)
Subsequent events (Note 24)

Approved on behalf of the Board:

"Ryan Jackson"	"Jeffrey Benavides"
Director	Director

Newlox Gold Ventures Corp.

Consolidated Statements of Loss and Comprehensive Loss

(Expressed in Canadian Dollars)

	Note	Year ended March 31 2022	2021
		$	$
Revenues	7	2,081,516	242,730
Cost of sales		(745,725)	(312,481)
		1,335,791	**(69,751)**
EXPENSES			
Advertising and Promotion		467,165	340,020
Amortization Expense	16	28,398	4,823
Consulting fees	14	435,088	381,330
Depreciation	6	155,245	40,766
Management fees	14	298,418	275,755
Marketing		25,963	866,324
Office		52,700	60,112
Professional fees		95,112	91,399
Research and Development		31,892	23,298
Royalty payment		458,820	68,019
Share based compensation	11	360,272	185,283
Telephone		4,610	2,748
Transfer agent		29,490	21,676
Travel		122,856	28,482
Loss before other items		**(1,230,238)**	**(2,459,786)**
Debt forgiveness		-	(9,384)
Interest expense	15	333,229	110,351
Accretion expense		272,146	83,661
Foreign exchange income		18,530	(7,469)
Other income - sale of gross royalty	9	(65,483)	(65,482)
Net cost of gold forward sale	10	68,820	45,880
Gain on sale of assets	6	-	(5,372)
Loss on settlement of debt		-	844,588
		627,242	996,773
Net loss		**$ (1,857,480)**	**$(3,456,559)**
Other comprehensive income (loss)			
Items that may be reclassified to profit or loss			
Foreign currency translation adjustment		(196,615)	(138,807)
Comprehensive loss		**$ (2,054,095)**	**$(3,595,366)**
Basic and diluted loss per share		**$ (0.01)**	**$ (0.04)**
Weighted average number of shares outstanding		**125,595,527**	**92,501,750**

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

Newlox Gold Ventures Corp.

Consolidated Statements of Changes in Shareholders' Equity

For the Years Ended March 31, 2022 and 2021

(Expressed in Canadian Dollars)

	Number of shares	Amount $	Contributed surplus $	Equity Component of Debentures $	Share subscription advance $	Foreign currency translation reserve $	Deficit $	Total $
Balance, March 31, 2020	**77,567,514**	**3,310,591**	**467,023**	**-**	**4,000**	**358,246**	**(5,392,697)**	**(1,252,837)**
Shares issued for cash	11,150,000	565,100	-	-	(4,000)	-	-	561,100
Share issuance costs	152,000	(53,255)	7,450	-	-	-	-	(45,805)
Shares issued for debt settlement	4,898,732	734,566	629,118	-	-	-	-	1,363,684
Shares issued on conversion of convertible debt	140,000	21,000	-	-	-	-	-	21,000
Shares issued on exercise of warrants	7,401,616	754,897	(17,813)	-	-	-	-	737,084
Shares issued on exercise of options	1,183,891	126,082	(55,049)	-	-	-	-	71,033
Warrants issued for compensation	-		866,324	-	-	-	-	866,324
Share based compensation - options granted	-	-	185,283	-	-	-	-	185,283
Equity Component of convertible debt	-	-	167,582	584,824	-	-	-	752,406
Net and comprehensive loss	-	-	-	-	-	(138,807)	(3,456,559)	(3,595,366)
Balance, March 31, 2021	**102,493,753**	**5,458,981**	**2,249,918**	**584,824**	**-**	**219,439**	**(8,849,256)**	**(336,094)**
Shares issued for cash	275,000	30,250	-	-	-	-	-	30,250
Shares issued for finder's fees	43,680	6,552	-	-	-	-	-	6,552
Shares issued on conversion of convertible debt	9,276,668	1,391,500	-	(217,479)	-	-	-	1,174,021
Shares issued on exercise of warrants	24,650,909	5,812,418	(2,013,692)	-	-	-	-	3,798,726
Shares issued on exercise of options	1,301,858	158,716	(53,605)	-	-	-	-	105,111
Share issuance costs	-	(4,687)	-	-	-	-	-	(4,687)
Share based compensation - options granted	-	-	360,272	-	-	-	-	360,272
Net and comprehensive loss	-	-	-	-	-	(196,615)	(1,857,480)	(2,054,095)
Balance, March 31, 2022	**138,041,868**	**12,853,730**	**542,893**	**367,345**	**-**	**22,824**	**(10,706,736)**	**3,080,056**

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

Newlox Gold Ventures Corp.

Consolidated Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year ended March 31, 2022	2021
	$	$
Operating Activities		
Net loss	(1,857,480)	(3,456,559)
Items not affecting cash		
Amortization	28,398	4,823
Depreciation	404,436	269,540
Share-based payments	360,272	185,283
Gain on forgiveness of debt	-	(9,384)
Interest expense	333,229	110,378
Accretion expense	272,146	83,661
Gain on sale of assets	-	(5,372)
Loss on settlement of debt	-	844,588
Warrants issued for compensation	-	866,324
Changes in non-cash working capital:		
Accounts receivable	61,164	(51,756)
GST receivable	(33,388)	(34,711)
Inventory	(32,248)	-
Accounts payable and accrued liabilities	(368,978)	48,112
Due to related parties	29,690	52,928
Deferred Revenue	(65,482)	(65,483)
Prepaid expenses	26,830	(112,927)
Other liabilities	-	-
Cash used in operating activities	**(841,411)**	**1,270,555**
Investing Activities		
Disposition of property, plant and equipment, net	-	16,594
Acquisition of property, plant and equipment	(2,403,234)	(537,635)
Funds invested in joint operations	(71,543)	(59,728)
Cash used in investing activities	**(2,474,777)**	**(580,769)**
Financing Activities		
Shares issued for cash, net of issuance costs	25,563	515,295
Convertible Debentures	-	3,545,388
Payments for leased assets	(20,834)	(7,395)
Gold purchase option	(19,553)	(59,927)
Share issued for options exercised	105,111	71,033
Share issued for warrants exercised	3,798,726	737,084
Cash provided by financing activities	**3,889,013**	**4,801,478**
Effect of foreign exchange on cash	(18,723)	(1,537)
Change in cash during the year	572,825	2,950,154
Cash, beginning	2,954,496	5,879
Cash, ending	**3,508,598**	**2,954,496**

Supplemental information (Note 23)

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

NOTE 1 – NATURE OF OPERATIONS AND GOING CONCERN

Newlox Gold Ventures Corp. (the "Company" or "Newlox") was incorporated on April 7, 2011. The Company is an environmental reclamation and mineral recovery company and is in the business of undertaking projects for the purpose of operating tailings remediation and gold recovery in Costa Rica. The Company's common shares are traded on the Canadian Securities Exchange (the "CSE") under the symbol "LUX".

The head office, principal address, and records office of the Company are located at 355 Burrard Street, 10th Floor, Vancouver, BC V6C 2G8, Canada.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations. To date, the Company has incurred losses and may incur further losses in the development of its business. As at March 31, 2022, the Company had working capital of $3,116,952 and an accumulated deficit of $10,706,736. The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue its operations and to realize assets at their carrying values is dependent upon its ability to raise financing and generate profits and positive cash flows from operations in order to cover its operating costs. From time to time, the Company generates working capital to fund its operations by raising additional capital through equity or debt financing. However, there is no assurance it will be able to continue to do so in the future. These consolidated financial statements do not give effect to any adjustments required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in the accompanying consolidated financial statements.

In March 2020, the World Health Organization declared a global pandemic following the emergence and rapid spread of a novel strain of the coronavirus respiratory disease ("COVID-19"). The Company continues to closely monitor the developments of COVID-19 with a focus on the jurisdictions in which the Company operates and its head office location in Canada. The spread of COVID-19 is prompting governments to implement different measures to curb the spread of COVID-19 regularly. During this period of uncertainty, the Company's priority is to continue to safeguard the health and safety of personnel and host communities, support and enforce government actions to slow the spread of COVID-19 and assess and mitigate the risks to the business continuity. As the extent and duration of the impacts from COVID-19 remain unclear, the Company's estimates and assumptions may evolve as conditions change. Actual results could differ significantly from those estimates.

NOTE 2 – BASIS OF PRESENTATION

a) Statement of Compliance
These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). These consolidated financial statements were approved and authorised for issue by the Board of Directors on August 29, 2022.

b) Basis of Preparation
These consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. These consolidated financial statements are presented in Canadian dollars, unless otherwise noted, which is also the Company's functional currency.

c) Basis of Consolidation
These consolidated financial statements incorporate the financial statements of the Company and the entity controlled by the Company. Control exists when the Company has power over an investee, exposure or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the Company returns.

NOTE 2 – BASIS OF PRESENTATION (Continued)

Details of controlled entity are as follows:

Entity	Country of Incorporation	Holding	Functional Currency
Oro Roca, S.A.	Costa Rica	100%	Costa Rican Colones

Intercompany balances and transactions are eliminated on consolidation.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES

Foreign Currency

These consolidated financial statements are presented in Canadian dollars, which is also the functional currency of the parent company. The subsidiary determines its own functional currency and items included in the financial statements are measured using that functional currency. Transactions in currencies other than the functional currency of an entity are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities are translated using the period-end foreign exchange rate. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. Non-monetary assets and liabilities stated at fair value are translated using the historical rates on the date that the fair value was determined. All gains and losses on translation of these foreign currency transactions are included in profit or loss.

Where applicable, the functional currency of an entity is translated into the presentation currency using the period-end rates for assets and liabilities while the operations and cash flows are translated using average rates of exchange. Exchange adjustments arising when net assets and profit or loss are translated into the presentation currency are taken into a separate component of equity and reported in other comprehensive income or loss.

Foreign Currency Translation

Judgment is required to determine the functional currency of the Company and its subsidiary. The Company determined that the functional currency of its subsidiary is the Costa Rican Colones as this is the currency that most faithfully represents the economic effects of its underlying transactions, events and conditions.

Property, Plant and Equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised to write off the cost of the property and equipment less their residual values over their useful lives using the straight-line method at various rates. The estimated useful lives, residual values, and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Depreciation rates:	
Vehicles	5 years
Office furniture and equipment	3 years
Computers equipment and software	3 years
Processing facilities	5 years
Equipment	5 years
Assets under construction	-

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Inventories

Inventories consist of mineral inventories, including stockpiled ore, work in process and finished goods, are valued at the lower of weighted average cost and estimated net realizable value. Cost includes all direct costs incurred in production including direct labour and materials, freight, depreciation and amortization and directly attributable overhead costs. Net realizable value is calculated as the estimated price at the time of sale based on prevailing and future metal prices less estimated future production costs to convert the inventories into saleable form. Any write-downs of inventory to net realizable value are recorded as cost of sales.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

If there is a subsequent increase in the value of inventories, the previous write-downs to net realizable value are reversed to the extent that the related inventory has not been sold. Stockpiled ore inventory represents ore that has been extracted from tailings. Costs added to stockpiled ore inventory are valued based on current tailings cost per ounce incurred up to the point of stockpiling the ore and are removed at the weighted average cost per ounce. Stockpiled ore tonnage and head grades are verified by periodic surveys and physical counts. Work in process inventory includes precipitates, inventories in tanks and in the milling process. Finished goods inventory includes metals in their final stage of production prior to sale, including primarily doré and dried concentrates at our operations and finished goods in-transit. Materials and supplies inventories are valued at the lower of weighted average cost and net realizable value. Costs include acquisition, freight and other directly attributable costs.

Cost of sales includes , mining contractor cost, direct labour costs, depletion and depreciation for processing facilities and applicable production overheads, based on normal operating capacity.

Impairment of Property, Plant and Equipment
At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. Individual assets are grouped together as a cash generating unit for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are independent of other group assets. If any such indication of impairment exists, the Company makes an estimate of its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. Where the carrying amount of a cash-generating unit exceeds its recoverable amount, the cash generating unit is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are adjusted for the risks specific to the cash generating unit and are discounted to their present value with a discount rate that reflects the current market indicators. Where an impairment loss subsequently reverses, the carrying amount of the cash-generating unit is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognized as income immediately.

Right of Use Assets and Lease Liabilities
The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (such as tablets and personal computers, small items of office furniture and telephones). For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the lessee uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:
- fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification

The right-of-use assets comprise of the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.
Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of- use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

As a practical expedient, IFRS 16 permits a lessee not to separate non- lease components, and instead account for any lease and associated non- lease components as a single arrangement.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognized immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on borrowing costs.

Convertible Debentures
Compound financial instruments issued by the Company are comprised of convertible debt that can be converted to share capital at a fixed price, at the option of the holder or the company, depending on the contract. The liability component of a compound financial instrument is recognized initially at the fair value which is equal to the net present value of future cash flows applying an interest rate at the date of issue of a similar liability that does not have an equity convertible option. The equity component is recognized initially as the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortized cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition. Interest, losses and gains relating to the financial liability are recognized in the consolidated statement of loss and comprehensive loss.

Loss per Share
Basic loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted loss per share is calculated by dividing the net loss available to common shareholders by the weighted average number of shares outstanding on a diluted basis. The weighted average number of shares outstanding on a diluted basis takes into account the additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding equity instruments were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting period.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Equity instruments granted to non-employees are recorded in the consolidated statement of loss and comprehensive loss at the fair value of the goods or services received, 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 a 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 behavioral considerations. All equity-settled share-based payments are recorded in equity reserves until exercised. Upon exercise, shares are issued from treasury and the amount previously recorded in equity reserves is reclassified to share capital along with any consideration paid.

Income Taxes
Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Current Income Tax
Current income tax assets and/or liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting periods that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred Income Tax
Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognised to the extent that it is probable that they will be able to be utilised against future taxable income. Deferred tax assets and liabilities are offset only when the Company has a right and intention to offset current tax assets and liabilities from the same taxation authority. Changes in deferred tax assets or liabilities are recognised as a component of tax income or expense in profit or loss, except where they relate to items that are recognised in other comprehensive income or directly in equity, in which case the related deferred tax is also recognised in other comprehensive income or equity, respectively.

Financial Instruments

Recognition and Classification
The Company recognized a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument. The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

	IFRS 9
Cash	FVTPL
Accounts receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Convertible Debentures	Amortized cost
Due to related parties	Amortized cost
Gold purchase option	FVTPL
GST receivable	Amortized cost

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement

Financial assets at FVTOCI
Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the consolidated statements of loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the consolidated statements of loss in the period in which they arise.

Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses.

The Company shall recognize in the consolidated statements of net (loss) income, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the consolidated statements of loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income.

Financial liabilities
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets.

Fair value of warrants
The Company measures the fair value of warrants issued from financings using the residual method and the fair value of warrants issued for brokers using the Black–Scholes Option Pricing model.

When broker warrants are issued, the fair value is recorded in the contributed surplus, with the corresponding entry to share capital. When broker warrants are exercised, their fair value is removed from the contributed surplus account and recorded as share capital.

NOTE 3 – SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Revenue from contracts with customers is recognized when control of the asset sold is transferred to customers and the Company satisfies its performance obligation. Revenue is allocated to each performance obligation. The Company considers the terms of the contract in determining the transfer price. The transaction price is based upon the amount the Company expects to receive in exchange for the transferring of the assets. In determining whether the Company has satisfied a performance obligation, it considers the indicators of the transfer of control, which include, but are not limited to, whether: the Company has a present right to payment; the customer has legal title to the asset; the Company has transferred physical possession of the asset to the customer; and the customer has the significant risks and rewards of ownership of the asset. This generally occurs when the assets are loaded on the trucks arranged by the customer at the Company's milling facilities. In cases where the Company is responsible for the costs of shipping and certain other services after the date on which the control of the assets transferred to the customer, these other services are considered separate performance obligations and thus a portion of revenue earned under the contract is allocated and recognized as these performance obligations are satisfied.

Revenue from concentrate sales is typically recorded based on the Company's assay results for the quantity and quality of concentrate sold and the applicable commodity prices, such as silver, gold, lead and zinc, set on a specific quotation period, typical ranging from ten to fifteen days around shipment date, by reference to active and freely traded commodity market. Adjustments, if any, related to the final assay results for the quantity and quality of concentrate sold are not significant and do not constrain the recognition of revenue.

Deferred Revenue

Deferred revenue, also known as unearned revenue, refers to advance payments a company receives for products or services that are to be delivered or performed in the future. The company receives the prepayment records the amount as deferred revenue, a liability, on its balance sheet.

Deferred revenue is a liability because it reflects revenue that has not been earned and represents products or services that are owed to a customer. As the product or service is delivered over time, it is recognized proportionally as revenue on the income statement.

Share-based compensation

From time to time, the Company grants stock options to employees and non-employees. An individual is classified as an employee, versus a non-employee, when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. The fair value of stock options, measured using the Black-Scholes option pricing model at the date of grant, is charged to the consolidated statement of loss and comprehensive loss over the vesting period. Performance vesting conditions and forfeitures are taken into account 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. Where the terms and conditions of options are modified before they vest, any increase in the fair value of the options, measured immediately before and after the modification, is also charged to the consolidated statement of loss and comprehensive loss over the remaining vesting period.

NOTE 4 – SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the application of the Company's accounting policies which are described in Note 3, management is required to make judgments, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant judgments, estimates and assumptions that have the most significant effect on the amounts recognised in the consolidated financial statements are described below.

Impairment of Property, Plant and Equipment
An impairment loss is recognised for the amount by which the assets or cash-generating unit's carrying amount exceeds its recoverable amount. Judgment is required to determine if there exist indications of impairment. To determine the recoverable amount, management estimates expected future cash flows from each asset or cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows. In the process of measuring expected future cash flows, management makes assumptions about future operation results. In addition, when determining the applicable discount rate, estimation is involved in determining the appropriate adjustments to market risk and asset-specific risk factors. These assumptions relate to future events and circumstances. Actual results may vary and may cause significant adjustments to the Company's assets within the next financial year.

Useful Lives of Property, Plant and Equipment
Management reviews the useful lives of property, plant and equipment at each reporting date, based on the expected utility of these assets to the Company. The useful lives of these assets may be shortened due to future technological developments.

Deferred Tax Assets
Deferred tax assets, including those arising from unutilized tax losses, require management to assess the likelihood that the Company will generate sufficient taxable earnings in future periods in order to utilise recognised deferred tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. In addition, future changes in tax laws could limit the ability of the Company to obtain tax deductions in future periods. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Company to realise the net deferred tax assets recorded at the reporting date could be impacted. The Company has recorded a full valuation allowance against its deferred tax assets due to the uncertainty in the realisation of these assets.

NOTE 5 – ACCOUNTING STANDARDS ADOPTED

(a) New and amended IFRS standards not yet effective

New accounting standards and interpretations that have been published are not mandatory for the current period and have not been early adopted. The remaining standards are not expected to have a material impact on the Company.

(Expressed in Canadian Dollars)

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT

	Vehicles	Office Furniture and Equipment	Computer Equipment and Software	Processing Facilities	Equipment	Assets under Construction	Total
	$	$	$	$	$	$	$
Cost							
Balance, March 31, 2020	**44,863**	**4,204**	**6,496**	**387,436**	**170,845**	**-**	**613,844**
Additions	11,234	1,140	639	378,375	142,512	-	533,901
	(16,594)	-	-	-	-	-	(16,594)
Foreign currency translation	(5,563)	(562)	(876)	(161,882)	(50,470)	-	(219,354)
Balance, March 31, 2021	**33,940**	**4,782**	**6,259**	**603,929**	**262,887**	**-**	**911,797**
Additions	36,832	921	2,590	-	1,566,871	953,579	2,560,793
Foreign currency translation	(4,362)	(455)	(646)	(114,775)	(98,471)	(35,841)	(254,550)
Balance, March 31, 2022	**66,410**	**5,248**	**8,203**	**489,154**	**1,731,287**	**917,738**	**3,218,040**
Accumulated Depreciation							
Balance, March 31, 2020	**40,121**	**3,676**	**5,441**	**213,668**	**171,057**	**-**	**433,963**
Depreciation	2,116	567	547	228,774	37,536	-	269,541
Disposals	(13,054)	-	-	-	-	-	(13,054)
Foreign currency translation	(4,677)	(521)	(754)	(36,364)	(35,819)	-	(78,136)
Balance, March 31, 2021	**24,506**	**3,722**	**5,234**	**406,078**	**172,774**	**-**	**612,314**
Depreciation	6,936	465	865	249,191	146,979	-	404,436
Foreign currency translation	(2,411)	(347)	(492)	(44,999)	(28,410)	-	(76,659)
Balance, March 31, 2022	**29,031**	**3,840**	**5,607**	**610,270**	**291,343**	**-**	**940,091**
Net book value							
Balance, March 31, 2021	**9,434**	**1,060**	**1,025**	**197,851**	**90,113**	**-**	**299,483**
Balance, March 31, 2022	**37,379**	**1,408**	**2,596**	**(121,116)**	**1,439,944**	**917,738**	**2,277,949**

During the year ended March 31, 2022, $249,191 (March 31, 2021 - $228,774) in depreciation for processing facilities was accounted for in cost of sales.

(Expressed in Canadian Dollars)

NOTE 7 – REVENUES

Revenues from sale of metal (gold), including by-products, are recorded net of smelting and refining costs.

During the year ended March 31, 2022, the Company recognized $2,081,516 (2021 - $242,730) in revenue to two customers. Customer A accounted for 51% (2021 – 26%), customer B accounted for 49% (2021 – 19%) and customer C accounted for nil% (2021 – 55%) of the total revenue for the year ended March 31, 2022.

NOTE 8 – ACCOUNTS PAYABLE AND ACCRUED LIABILITES

	March 31, 2022	**March 31, 2021**
	$	**$**
Trade payables	182,883	92,568
Accrued liabilities	50,000	41,899
Royalty payable	48,626	19,406
	281,509	153,873

NOTE 9 – REVENUE SHARING AGREEMENT

On July 17, 2017 the Company entered into a Revenue Sharing Agreement (the "Transaction") with an investor. The Transaction grants the investor a 15% gross revenue royalty on the Company's first processing plan until the investor has received royalties totaling US$1,000,000. After which, the investor will hold a 10% gross royalty on the first processing plant for the life of the project. The investor would also be granted a 5% gross revenue royalty on all processing plants, current and future, developed by the Company and its subsidiaries, which are not subject to an active gross revenue royalty. The investor has also offered a right of first refusal to fund the Company's future projects. As consideration, the investor agreed to pay the Company a total of US$950,000 in installments of which US $830,000 (CAD $1,051,231) was received during the year ended March 31, 2018. The remainder of US$120,000 (CAD $148,769) was received during the year ended March 31, 2019. As security for the Company's obligations under the Transaction, the Company granted the investor a fixed assignment, transfer, mortgage, charge and security interest over the Company's assets.

On December 24, 2018 the Company and the investor agreed to an amendment in exchange for US$45,000 where the royalty is increased to 18% until the investor has received royalties totaling US$1,025,000. After which, the investor will hold a 10.5% (0.5% increase) gross royalty on the first processing plant for the life of the project. As a result of the amendment, the Company reduced the net book value of the processing facilities by $61,340 being the approximate net book value of these assets at the time of the amendment. As at March 31, 2022, the investors have received UD$509,268 in royalties since initiation.

On April 17, 2019 the Company, closed its "Series Two" Revenue Participation, three investors have purchased a 3% Gross Revenue Royalty on the Company's first processing plant until the investors have received payments totalling the amount invested (the "Gross Revenue Royalty"), after which, the investors will hold a 2% gross revenue royalty on the first processing plant for the life of the project (the "Enduring Royalty"). The Company has also granted the investors a priority right to fund the Company's future projects through a similar mechanism, to be adjusted in relation to the financing needs. In the event the investor elects not to fund one or more of the Company's future projects, the Company will be free to pursue funding from other parties for those projects and investors will hold a 1% base royalty the project.

In relation to the revenue sharing agreements, the Company recognized $144,450 in deferred revenue (2021 - $209,932) and recognized other income of $65,482 (2021 - $65,482). The revenue is being recognized over the expected life of the project.

NOTE 10 – GOLD PURCHASE OPTION

During the year ended March 31, 2019, the Company received US$75,000 (CAD$98,589) for the purchase orders to acquire up to 75 troy ounces of gold. Subsequently, the Company repaid US$7,500 (CAD$10,224) for 7.5 ounces in cash resulting in a balance outstanding of US$67,500.

On January 22, 2019, to settle the remaining balance payable pursuant to the purchase orders, the Company entered into a gold purchase option agreement for further consideration of US$5,000, whereby the investor has the option to acquire up to 67.5 ounces of gold at a price of US$1,000 per ounce for a period of 120 months commencing on the date that recovered gold exceeds 80 troy ounces a month. The Company can repay the balance in gold or cash equivalent. The cash settlement shall be at KITCO spot one day prior to payment due date but not less than US$1,500 per ounce.

The investor may exercise the option in monthly tranches which may not exceed 20% of the Company's monthly gold recovery less the amount of gold delivered as per the Company's existing royalty agreement. The option agreement shall expire upon on the earlier of its full satisfaction or 120 months from the date monthly gold recovery exceeds 80 troy ounces.

The gold purchase option is a derivative liability as the repayment amount is determined by the Kitco Spot price. The amount recorded for this derivative is based on the transaction price, being the total net proceeds received as the fair value would be determined using unobservable inputs and accordingly any gain or loss is deferred.

The key unobservable inputs that were used in the estimation of the derivative liability are as follows:
1) The expected recovery of gold exceeding 80 troy ounces a month.
2) Probability factor assessed for the expected recovery over the next 120 months.
3) The expected price of gold exceeding US$1,800 per ounce.

The resulting value of the derivative instrument could differ significantly based on changes in the underlying assumptions used, potentially having a material future impact on the Company's consolidated financial statements.

On March 1, 2020, the company signed an amendment agreement where it agreed to the following:
1) Postpone the delivery of the remaining 67.5 Oz until November 2020 in exchange for 200,000 options issued.
2) The deliveries shall be settled at the rate of 7.5 Oz per month.
3) Should the company be unable to deliver gold at the agreed date, delivery may be deferred, less US $5,000 or and the outstanding value will be applied to further purchases.

On June 4, 2020, the company issued 982,183 units to convert 20 Oz from the previous orders, as requested by the buyer, reducing the obligation to 47.5 Oz, for a fair value of $68,753 for the shares and $56,949 for the warrants, recognizing a loss on settlement of debt of $76,593. Each unit consists of one common share and one warrant. Each warrant entitles the holder to purchase an additional common share for $0.10 per share for a period of 2 years.

During the year ended March 31, 2021, the company satisfied 37.5 Oz of gold in for proceeds of $59,427 to the buyer. As at March 31, 2021, the Company has an obligation of 10 Oz of gold at fair value of $15,850, recorded in accounts payable and accrued liabilities.

On April 5, 2021, the Company satisfied 10 Oz of gold to the buyer at an aggregate price of US$1,716.07 per ounce, reducing the obligation of previous orders to 0 Oz.   As at March 31, 2022, the company has, $nil (2021 - $15,850).

During the current period, the company has received four purchase orders, which were settled during the year ended March 31, 2022. During the current year, the company incurred in $64,320 (2021 - $45,880) in expenditures related to this agreement.

NOTE 11 – SHARE CAPITAL

a) Authorized Capital

The Company is authorised to issue an unlimited number of common shares without par value.

b) Issued and Outstanding Common Shares

i) Shares Issued March 31, 2022

On May 19, 2021, the Company issued 43,680 units for satisfaction of finder's fees, pending issuance since 2021. The fair value of the issuance was $6,552.

On November 24, 2021, the Company issued 275,000 shares for proceeds of $30,250 in connection with a private placement.

During the year ended March 31, 2022, the Company issued 9,276,668 shares for conversion of $1,391,500 principal of convertible debenture. The fair value of the issuance was $1,174,021. In relation $217,479 was reclassified from equity component of debentures to share capital.

During the year ended March 31, 2022, the Company issued 24,650,909 shares for exercise of warrants for proceeds of $3,798,726. In relation $2,013,692 was reclassified from contributed surplus to share capital.

During the year ended March 31, 2022, the Company issued 1,301,858 shares for exercise of options with a range of $0.10 - $0.25 per share for proceeds of $105,111. In relation $53,605 was reclassified from contributed surplus to share capital.

ii) Shares Issued during the year ended March 31, 2021

On May 29, 2020, the Company issued 2,300,000 units for proceeds of $115,000. Each unit consists of one common share and one warrant. Each warrant entitles the holder to purchase an additional common share at $0.10 per share period of 2 years. $nil value was allocated to the warrants using the residual method. In connection with the closing of the private placement, the Company paid $8,050 and issued 152,000 units as finders' units. Each finders' units consist of one common share of the Company and one warrant. Each warrant is non-transferrable and entitles the holder to purchase an additional common share for $0.10 per share for a period of 2 years. Fair value of $7,450 was recognized for the finders' warrants.

On June 4, 2020, the Company issued 8,850,000 units for proceeds of $442,500. Each unit consists of one common share and one warrant. Each warrant is non-transferrable and entitles the holder to purchase an additional common share for $0.10 per share for a period of 2 years. $nil value was allocated to the warrants using the residual method. In connection with the private placement, the Company paid $24,000 in finders' fees.

On June 4, 2020, the Company issued 982,183 units for satisfaction of 20 Oz of the Gold purchase option (Note 10). The fair value of the issuance was $68,753 for the shares and $56,950 for the warrants, recognizing a loss on settlement of debt of $76,593. Each unit consists of one common share and one warrant. Each warrant entitles the holder to purchase an additional common share for $0.10 per share for a period of 2 years.

On August 20, 2020, the Company issued 3,916,549 units for settlement of $469,986 in long term related party debt for a fair value of $665,813 for the shares and $572,168 for the warrants, recognizing a loss on settlement of debt of $767,995. Each unit consists of one common share and one warrant. Each warrant entitles the holder to purchase an additional common share for $0.15 per share for a period of 2 years.

On March 4, 2021, the Company issued 140,000 shares for conversion of $21,000 principal of convertible debenture.

During the year ended March 31, 2021, the Company issued 7,401,616 shares for exercise of warrants for proceeds of $737,084. In relation, $17,813 was reclassified from contributed surplus to share capital.

During the year ended March 31, 2021, the Company issued 1,183,891 shares for exercise of options for proceeds of $71,032. In relation, $55,049 was reclassified from contributed surplus to share capital.

(Expressed in Canadian Dollars)

NOTE 11 – SHARE CAPITAL (Continued)

c) Share Options

Under the terms of the Company's 2017 Stock Option Plan (the "Plan"), the maximum number of shares reserved for issuance under the Plan is 10% of the issued shares on a rolling basis. Options may be exercisable over periods of up to five years as determined by the Board of Directors of the Company and the exercise price shall not be less than the Discounted Market Price on the award date, subject to regulatory approval. All stock options granted are non-assignable.

On July 3, 2020, the Company announced the granting of incentive stock options to employees and consultants of the Company to acquire an aggregate of 4,066,961 common shares of the Company. The options have an exercise price of $0.06 - $0.15 per share, vest immediately and are exercisable until July 3, 2023. As result the share-based payments expense related to stock options was $185,283 for the year ended March 31, 2021.

During the year ended March 31, 2022, the Company announced the granting of incentive stock options to employees and consultants of the Company to acquire an aggregate of 1,950,00 common shares of the Company. The options have an exercise price of $0.23 - $0.28 per share, vest immediately and are exercisable until January 20, 2025. As result the share-based payments expense related to stock options was $53,605 for the year ended March 31, 2021.

The continuity of options for the year ended March 31, 2022 is as follows:

Expiry Date	Exercise Price	March 31, 2021	Issued	Exercised	Expired	March 31, 2022
September 13, 2022	$0.06	4,767,651	-	501,858	-	4,265,793
July 3, 2021	$0.06	600,000	-	500,000	100,000	-
July 3, 2021	$0.15	300,000	-	300,000	-	-
July 3, 2022	$0.06	150,000	-	-	-	150,000
April 5, 2023	$0.23	-	300,000	-	-	300,000
June 1, 2023	$0.28	-	200,000	-	-	200,000
June 17, 2023	$0.23	-	200,000	-	-	200,000
July 3, 2023	$0.06	1,983,627	-	-	-	1,983,627
October 10, 2023	$0.265	-	1,000,000	-		1,000,000
January 20, 2025	$0.24	-	250,000	-	-	250,000
		7,801,278	1,950,000	1,301,858	100,000	8,349,420

The continuity of options for the year ended March 31, 2021, is as follows:

Expiry Date	Exercise Price	March 31, 2020	Issued	Exercised	Expired	March 31, 2021
September 13, 2022	$0.06	5,018,580	-	150,557	100,372	4,767,651
July 3, 2021	$0.06	-	800,000	200,000	-	600,000
July 3, 2021	$0.15	-	300,000	-	-	300,000
July 3, 2022	$0.06	-	150,000	-	-	150,000
July 3, 2023	$0.06	-	2,816,961	833,334	-	1,983,627
		5,018,580	4,066,961	1,183,891	100,372	7,801,278

(Expressed in Canadian Dollars)

NOTE 11 – SHARE CAPITAL (Continued)

As at March 31, 2022, the Company has the following options outstanding and exercisable:

Expiry Date	Exercise Price	Remaining Life (years)	Options Outstanding
September 13, 2022	$0.06	0.54	4,265,793
July 3, 2022	$0.06	0.34	150,000
April 5, 2023	$0.23	1.10	300,000
June 1, 2023	$0.28	1.25	200,000
June 17, 2023	$0.23	1.30	200,000
July 3, 2023	$0.06	1.34	1,983,627
October 10, 2023	$0.265	1.61	1,000,000
January 20, 2025	$0.24	2.89	250,000
			8,349,420

The following weighted average assumptions were used in estimating the fair value of stock options granted using the Black-Scholes Option Pricing Model:

	2022	2021
Exercise price	$0.23 - $0.28	$0.06-0.15
Volatility	153.7%	156.5%
Risk free interest rate	1.92%	0.79%
Expected dividend yield	0%	0%
Forfeiture rate	0%	0%

d) Share Purchase Warrants

The continuity of warrants outstanding and exercisable as of March 31, 2022, is as follows:

Expiry Date	Exercise Price	March 31, 2021	Issued	Exercised	Expired	March 31, 2022
August 3, 2021	$0.15	4,698,072	-	4,698,072	-	-
September 24, 2021	$0.10	1,292,240	-	1,292,240	-	-
September 30, 2021	$0.10	446,800	-	446,800	-	-
October 31, 2021	$0.10	239,000	-	239,000	-	-
May 29, 2022	$0.10	306,000	-	237,600	-	68,400
June 4, 2022	$0.10	8,772,183	-	5,150,000	-	3,622,183
August 20, 2022	$0.15	3,916,549	-	-	-	3,916,549
November 26, 2021	$0.11	5,638,202	-	5,638,020	-	-
December 18, 2022	$0.25	19,357,280	-	5,287,667	-	14,069,613
December 31, 2022	$0.25	8,615,600	-	1,661,334	-	6,954,266
		53,281,926	-	24,650,909	-	28,631,012

(Expressed in Canadian Dollars)

NOTE 11 – SHARE CAPITAL (Continued)

The continuity of warrants for the year ended March 31, 2021, is as follows:

Expiry Date	Exercise Price	March 31, 2020	Issued	Exercised	Expired	March 31, 2021
June 16, 2020	$0.05	1,464,100	-	-	1,464,100	-
August 3, 2021	$0.15	4,886,529	-	188,456	-	4,698,073
January 30, 2022	$0.075	500,000	-	500,000	-	-
September 24, 2021	$0.10	3,067,200	-	1,774,960	-	1,292,240
September 30, 2021	$0.10	1,404,000	-	957,200	-	446,800
October 31, 2021	$0.10	864,000	-	625,000	-	239,000
May 29, 2022	$0.10	-	2,452,000	2,146,000	-	306,000
June 4, 2022	$0.10	-	9,832,183	1,060,000	-	8,772,183
November 27, 2020	$0.10	-	5,000,000	150,000	4,850,000	-
August 20, 2022	$0.15	-	3,916,549	-	-	3,916,549
November 26, 2021	$0.11	-	5,638,202	-	-	5,638,202
December 18, 2022	$0.25	-	19,357,280	-	-	19,357,280
December 31, 2022	$0.25	-	8,615,600	-	-	8,615,600
		12,185,829	54,811,814	7,401,616	6,314,100	53,281,927

On July 26, 2020, the Company issued 5,000,000 warrants for marketing expense. Each warrant entitles the holder to purchase a common share at $0.10 per share for a period of 4 months. The fair value of $309,219 was determined using Black Scholes Option Model.

On November 26, 2020, the Company issued 5,638,202 warrants for marketing expense. Each warrant entitles the holder to purchase a common share at $0.11 per share for a period of 1 year. The fair value of $557,105 was determined using Black Scholes Option Model.

The following weighted average assumptions were used in estimating the fair value of stock options granted using the Black-Scholes Option Pricing Model:

	2021
Exercise price	$0.06-0.15
Volatility	156.5%
Risk free interest rate	0,79%
Expected dividend yield	0%
Forfeiture rate	0%

(Expressed in Canadian Dollars)

NOTE 12 – JOINT VENTURE

On June 6, 2020, the Company entered into a contractual agreement with Sindicato Nacional De Mineros ("ANAMI") for the creation of a Santa Ana Joint Venture ("JV") corporation for joint administration of the exploration, exploitation and sale of precious mineral materials of the Boston Mine. The Company is in process of building a recovery facility for the JV. As at March 31, 2022, the Company has incurred $917,738 in assets under construction (Note 6).

As at March 31, 2022, the Company has advanced $131,271 to the joint venture, which is accounted for as accounts receivable.

NOTE 13 – INCOME TAXES

The income tax expense of the Company is reconciled to the net income for the year as reported in the consolidated statements of comprehensive loss as follows:

	March 31, 2022	March 31, 2021
	$	$
Net loss before tax	(1,857,480)	(3,456,559)
Expected Income Tax Recovery at Combined Canadian Statutory rate	(502,000)	(933,000)
Permanent Differences	100,000	514,000
Effect of adjustment to prior year provision	(24,000)	(11,000)
Share issue costs	1,000	14,000
Other	49,000	147,000
Change in unrecognized deferred tax assets	376,000	269,000
Income Tax Expense	-	-

As at March 31, 2022, the Company had approximately $5,279,000 of Canadian non-capital loss carry forwards available to reduce taxable income for future years. The non-capital losses expire between 2033 and 2042. At March 31, 2022, the Company had capital losses of $20,000 which may be carried forward indefinitely and offset toward future capital gains. Per Costa Rican Income Tax Law, tax loss carry forwards are only availably to industrial and agricultural companies.

Tax attributes are subject to review, and potential adjustment by tax authorities.

(Expressed in Canadian Dollars)

NOTE 14 – RELATED PARTY TRANSACTIONS

Balances and transactions between the Company and its subsidiary, which are related parties of the Company, have been eliminated on consolidation and are not disclosed. Details of transactions between the Company and other related parties, in addition to those transactions disclosed elsewhere in the consolidated financial statements are described as follows.

As at March 31, 2022 and March 31, 2021, the Company has the following amounts owing to related parties that are noninterest bearing, unsecured, and have no specified terms of repayment.

	March 31, 2022	March 31, 2021
	$	$
Due to a family member of the Company's President	40,392	38,595
Due to a director (also an officer) for management fees	125,175	132,202
Due to a director (also an officer) for management fees and advances to the Company	60,421	25,501
Due to a director for management fees	1,056	1,056
Due to related Parties	227,044	197,354

On August 20, 2020, the Company issued 3,916,549 units for settlement of $469,986 in long term related party debt for a fair value of $665,813 for the shares and $572,168 for the warrants, recognizing a loss on settlement of debt of $767,995. Each unit consists of one common share and one warrant. Each warrant entitles the holder to purchase an additional common share for $0.15 per share for a period of 2 years.

The "long-term debt" holders participated in the unsecured non-brokered Convertible Debenture Financing converting part of this debt. As at March 31, 2022 and March 31, 2021, the balances owed (principal and interest) are as follows:

	March 31, 2022	March 31, 2021
	$	$
Due to a family member of the Company's President	115,274	115,274
Due to a director (also an officer)	115,274	115,274
Due to a director (also an officer)	113,734	113,737
Debentures	344,282	344,285

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of the CEO, CFO and the members of the Company's Board of Directors and corporate officers. The remuneration of directors and key management personnel during the years ended March 31, 2022 and 2021 were as follows:

	March 31, 2022	March 31, 2021
	$	$
Management fees to a director (also an officer)	298,258	275,755
Consulting fees to a family member of the Company's President.	206,050	176,498
	504,308	452,253

On July 3, 2020, the Company granted 2,166,961 stock options to related parties. The options have an exercise price of $0.06 per share, vest immediately and are exercisable until July 3, 2023. The Company recorded $110,555 in share-based payments expenses for the issuance.

(Expressed in Canadian Dollars)

NOTE 15 – CONVERTIBLE DEBENTURES

During the year ended March 31, 2021, the company closed its unsecured non-brokered Convertible Debenture Financing (the "Offering") for proceeds of $4,060,500. The debentures mature in two year and are interest bearing at 10% per annum, with interest payable semi-annually. Principle and any accrued interest are convertible at the option of the investor at a conversion price of $0.15 per common share (the "Conversion Price") from the closing date until the day before maturity. On maturity, the Company will have the option to pay the principal and any accrued interest in cash or shares at the Conversion Price.

As part of the Offering, the Company has issued 27,070,001 warrants. Each entitles the holder to purchase one common share of the Company at an exercise price of $0.25 for two years from the closing of the Offering. All securities issued pursuant to the Offering are subject to a four-month-and-one-day hold period under applicable Canadian securities laws. The company paid $179,112 in finder's fees related to both offerings and 902,879 warrants. Each warrant entitles the holder to purchase a common share at $0.25 per share for a period of 2 years from the issuances.

The fair value of the liability component of the convertible debenture was calculated using a market interest rate of 18%. The fair value of the liability component was determined to be $3,420,479 with the residual amount of $640,021 being allocated to equity. The Company allocated $167,582 of the equity portion to contributed surplus related to the detachable warrants. The detachable warrants were valued using the Black-Scholes option pricing model, using the following assumptions: expected life – 2 years, volatility – 174.67% - 187.17%, discount rate - 0.20% - 0.24%.

The continuity of the fair value of the convertible debentures as at March 31, 2022 is as follows:

		December 18, 2022		December 30, 2022		Total
Balance, March 31, 2021	$	2,374,641	$	927,380	$	3,302,021
Interest expense		219,929		110,174		330,103
Interest payments		(238,263)		(114,297)		(352,560)
Accretion		181,366		90,780		272,146
Conversion		(1,030,868)		(143,153)		(1,174,021)
Balance, March 31, 2022	$	1,506,805	$	870,884	$	2,377,689

The continuity of the fair value of the convertible debentures as at March 31, 2021 is as follows:

		December 18, 2022		December 30, 2022		Total
Balance, March 31, 2020	$	-	$	-	$	-
Issued		2,839,000		1,221,500		4,060,500
Equity portion		(441,103)		(198,918)		(640,021)
Finders' fees		(142,584)		(148,912)		(291,496)
Interest		79,924		30,454		110,378
Accretion		60,404		23,256		83,660
Conversion		(21,000)		-		(21,000)
Balance, March 31, 2021	$	2,374,641	$	927,380	$	3,302,021

(Expressed in Canadian Dollars)

NOTE 16 – RIGHT OF USE ASSETS

During the year ended March 31, 2022, the Company executed a lease agreement for their Canadian office space, with a lease term of 2 years.

During the year ended March 31, 2021, the Company executed lease agreements or their land and camp site in Costa Rica, with a lease term of 5 years..

The continuity of the fair value of the right-of-use assets as at March 31, 2022 is as follows:

	Camp Lease	Land Lease	Canada Lease	Total
March 31, 2020	$ -	$ -	$ -	$ -
Additions	21,966	22,702	-	44,668
Amortization	(1,209)	(3,614)	-	(3,496)
Balance March 31, 2021	$ 20,757	$ 19,088	$ -	$ 39,845
Additions	-	-	32,301	32,301
Amortization	(4,223)	(2,060)	(21,869)	(28,152)
Foreign currency translation	(1,675)	(1,821)	-	(3,496)
Balance March 31, 2022	$ 14,8592	$ 16,876	$ 10,432	$ 40,498

NOTE 17 – LEASE LIABILITIES

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease liabilities are subsequently measured at amortized cost using the effective interest rate method.

The movement in lease liabilities during the year ended March 31, 2022 and year ended March 31, 2021 are comprised of the following:

	31-Mar-22	31-Mar-21
Maturity analysis – contractual undiscounted cash flows		
Less than one year	$ 21,909	$ 11,019
One to five years	22,244	22,064
More than five years	9,480	4,190
Total undiscounted lease liabilities	$ 53,633	$ 37,273
Lease liabilities included in the statement of financial position	51,866	37,273
Current	21,909	11,019
Non-current	29,957	26,254

NOTE 18 – PREPAID EXPENSES

As at March 31, 2022, the Company has $86,097 (2021 - $112,927) in prepaid expenses relating to advertising and promotion expense.

(Expressed in Canadian Dollars)

NOTE 19 – INVENTORY

Inventories consist primarily of work-in process of minerals, in varying stages of the production process, and are presented at the lower of weighted average cost or net realizable value.

	31-Mar-22	31-Mar-21
Work-in-process	$ 32,248	$ -
Total	$ 32,248	$ -

NOTE 20 – FINANCIAL INSTRUMENTS

The Company is exposed to various risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarised in Note 3. The Company's risk management is coordinated at its head office in Canada in close co-operation with the board of directors and focuses on actively securing the Company's short to medium-term cash flows and raising finances for the Company's capital expenditure program.

The Company does not actively engage in the trading of financial assets for speculative purposes.

The most significant financial risks to which the Company is exposed are described below.

a) Foreign Currency Risk

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company does not hedge its exposure to fluctuations in the related foreign exchange rates. The Company's exposure to currency risk is currently considered insignificant.

b) Commodity Price Risk

The Company's revenues, earnings, and cash flows are directly related to the volume and price of previous metals sold and are sensitive to changes in market prices over which it has little or no control. The Company does not utilise financial derivatives or other contracts to manage commodity price risks.

c) Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company limits its exposure to credit loss for cash by placing its cash with high-quality financial institutions and for trade receivables by performing standard credit checks. The credit risk for cash and accounts receivables is considered low since the counterparties are reputable banks with high-quality external credit ratings and investors with no history of default.

d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations when they become due. The Company ensures, as far as reasonably possible, that it will have sufficient capital in order to meet short-term business requirements, after taking into account cash flows from operations and the Company's holdings of cash. There can be no assurance that the Company will be successful in generating and maintaining profitable operations or will be able to secure future debt or equity financing for its working capital and expansion activities (Note 1).

e) Interest Rate Risk

Interest rate risk is the risk that future cash flows will fluctuate as a result of changes in market interest rates. Interests on the Company's convertible debentures are based on fixed rates, and as such, the Company is not exposed to significant interest rate risk.

f) Fair Value

The Company's financial instruments at March 31, 2022 include cash, accounts receivable, accounts payable, accrued liabilities, and convertible debentures. The fair values of cash, accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short-term nature.

NOTE 20 – FINANCIAL INSTRUMENTS – Continued

IFRS 13 Fair Value Measurement establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs used in making fair value measurements as follows:

Level 1 - quoted prices 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., from derived prices); and
Level 3 - inputs for the asset or liability that are not based upon observable market data.

The fair value of cash is based on Level 1 inputs, and the fair value of the liability component of convertible debt is based on Level 2 inputs. The fair value of the convertible debentures at issuance was determined using Level 2 inputs.

NOTE 21 – CAPITAL MANAGEMENT

The Company manages its shareholder's equity as capital. 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 and expansion of its business and to maintain a flexible capital structure which optimises the costs of capital at an acceptable risk level.

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. To maintain or adjust its capital structure, the Company may attempt to issue new shares or debt, dispose of assets, or adjust the amount of cash and cash equivalents. There can be no assurance that the Company will be able to obtain debt or equity capital in the case of operating cash deficits.

The Company has no externally imposed capital requirements and has not paid or declared any dividends since the date of incorporation, nor are any contemplated in the foreseeable future. There were no changes in the Company's approach to capital management during the year ended March 31, 2022.

NOTE 22 – SEGMENT REPORTING

At March 31, 2022, the Company operates in one operating segment, the operating tailings reclamation and gold recovery in Costa Rica. All of the Company's property, plant and equipment are located in Costa Rica. All revenue recognized during the years ended March 31, 2022 and 2021 was earned in Costa Rica.

NOTE 23 – SUPPLEMENTAL CASH FLOW INFORMATION

During the year ended March 32, 2022, the Company:

- issued 43,680 common shares to settle finder's fees of $6,552;
- cash interest paid of $352,560;
- additions to property, plant and equipment in accounts payable of $157,559; and
- issued 9,276,668 units converting a portion of the convertible debentures as per the terms of the debentures.

NOTE 24 – SUBSEQUENT EVENTS

- On July 3, 2022 150,000 share options expired.
- On August 20, 2022 3,916,549 share warrants expired.
- On July 18, 2022, the company announced the expansion into Antioquia, Colombia with a new environmentally and socially responsible project.
- After the year ended March 31, 2022, the Company issued 340,000 shares for conversion convertible debentures.
- After the year ended March 31, 2022, the Company issued 3,690,583 shares for exercise of warrants.