St. Elias Mines Ltd.

Consolidated Financial Statements
For the Years Ended May 31, 2022 and 2021

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Independent Auditor's Report

To the Shareholders of St. Elias Mines Ltd.

Opinion

We have audited the consolidated financial statements of St. Elias Mines Ltd. (the "Group"), which comprise the consolidated statements of financial position as at May 31, 2022 and May 31, 2021 and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity (deficit) and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at May 31, 2022 and May 31, 2021, and its consolidated financial performance and its consolidated 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 Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated 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 consolidated financial statements which describes the material uncertainty that may cast significant doubt on the Group'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:

- Management's Discussion and Analysis

Our opinion on the consolidated 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 consolidated 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 consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Group’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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 Group’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 Group’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 consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 Diana Huang.

"Crowe MacKay LLP"

Chartered Professional Accountants
Vancouver, Canada
October 11, 2022

St. Elias Mines Ltd.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

	Notes	May 31, 2022	2021
ASSETS			
Current assets			
Cash		$ 10,426	$ 4,004
Amounts receivable		12	4,586
Total current assets		10,438	8,590
TOTAL ASSETS		$ 10,438	$ 8,590
LIABILITIES AND EQUITY			
Current liabilities			
Trade and other payables		$ 35,870	$ 5,096
Loans	**7**	23,636	-
		59,506	5,096
Shareholders' equity (deficit)			
Common shares	**6**	39,302,073	39,302,073
Reserves		19,119,598	19,119,598
Deficit		(58,470,739)	(58,418,177)
Total equity (deficit)		(49,068)	3,494
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		$ 10,438	$ 8,590
Nature and continuance of operations	**1**		

Approved on behalf of the Board of Directors:

/s/ "Edward Low"
Edward Low, Director

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

St. Elias Mines Ltd.

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)
FOR THE YEARS ENDED MAY 31

	Notes	Years ended May 31, 2022	2021
Expenses			
Filing and listing fees		$ 17,156	$ -
General and administrative		12	72
Professional fees		28,892	-
Transfer agent fees		4,866	-
Loss before other items		(50,926)	(72)
Interest expense	**7**	1,636	-
Loss and comprehensive loss for the year		$ (52,562)	$ (72)
Weighted average number of common shares outstanding			
Basic		117,318,355	117,318,355
Diluted		117,318,355	117,318,355
Basic and diluted loss per common share		$ (0.00)	$ (0.00)

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

St. Elias Mines Ltd.

Consolidated Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in Canadian dollars)
FOR THE YEARS ENDED MAY 31, 2022 and 2021

	Common Shares				
	Number	Amount	Reserves	Deficit	Total
Balance at June 30, 2020	117,318,355	$ 39,302,073	$ 19,119,598	$ (58,418,105)	$ 3,566
Net loss for the year	-	-	-	(72)	(72)
Balance at May 31, 2021	117,318,355	39,302,073	19,119,598	(58,418,177)	3,494
Net loss for the year	-	-	-	(52,562)	(52,562)
Balance at May 31, 2022	117,318,355	$ 39,302,073	$ 19,119,598	$ (58,470,739)	$ (49,068)

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

St. Elias Mines Ltd.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

	Years ended May 31, 2022	2021
Operating activities		
Loss for the year	$ (52,562)	$ (72)
Intems not involving cash		
Interest on loans	1,636	-
Changes in non-cash working capital items:		
Amounts receivable	4,574	-
Trade and other payables	30,774	-
Net cash used in operating activities	(15,578)	(72)
Financing activity		
Proceeds from loans	22,000	-
Net cash provided by financing activity	22,000	-
Change in cash during the year	6,422	(72)
Cash, beginning of year	4,004	4,076
Cash, end of year	$ 10,426	$ 4,004
Supplemental Cash Flow Information		
Income taxes paid	$ -	$ -
Interest paid (received)	$ -	$ -

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

1. NATURE AND CONTINUANCE OF OPERATIONS

St. Elias Mines Ltd. (the "Company") was incorporated under the British Columbia Business Corporations Act on March 24, 1994 and has continued business under the Business Corporations Act of British Columbia. The Company's shares were previously listed on the TSX Venture Exchange under the symbol "SLI". The Company's head office is located at 920 – 1112 West Pender Street, Vancouver, BC, V6E 2S1.

On October 3, 2014, a cease trade order ("CTO") was issued by the British Columbia Securities Commission against the Company for failing to file in a timely manner the annual audited financial statements and the accompanying Management Discussion and Analysis. The CTO remains in effect as at May 31, 2022.

Subsequent to the CTO, the Board of Directors resigned from the Company.

On November 26, 2021, the Company held a special meeting of the shareholders to appoint a new director.

The principal business of the Company is the identification and evaluation of assets or a business with a view to completing a transaction subject to receipt of shareholder approval and acceptance by regulatory authorities. The success of the Company will be dependent on obtaining the necessary financing to evaluate and pursue these opportunities.

These financial statements have been prepared assuming the Company will continue on a going-concern basis. The Company has incurred significant losses since inception and the ability of the Company to continue as a going-concern depends upon its ability to develop profitable operations and to raise adequate financing through the capital markets.

The Company's business may be affected by changes in political and market conditions, such as interest rates, availability of credit, inflation rates, changes in laws, and national and international circumstances. Recent geopolitical events, including, the outbreaks of the coronavirus (COVID-19) pandemic, relations between NATO and Russian Federation regarding the situation in Ukraine, and potential economic global challenges such as the risk of the higher inflation and energy crises, may create further uncertainty and risk with respect to the prospects of the Company's business.

There can be no assurance that the Company will be able to continue to raise funds in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the Company's consolidated statement of financial position.

The Company has incurred significant cumulative losses and is experiencing and has experienced, negative operating cash flows. The current market conditions and volatility increases the uncertainty of the Company's ability to continue as a going concern given the need to both curtail expenditures and to raise additional funds. The Company will continue to search for new or alternate sources of financing but anticipates that the current market conditions may impact the ability to source such funds. These material uncertainties may cast significant doubt upon the Company's ability to continue as a going concern.

2. BASIS OF PRESENTATION

a) Statement of compliance and basis of measurement

These audited financial statements, including any comparatives have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). These consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as and measured as at their fair value.

In addition, these audited financial statements have been prepared using the accrual basis of accounting except for cash flow information.

These audited financial statements of the Company for the years ended May 31, 2022 and 2021 were approved and authorized for issue by the Board of Directors on October 11, 2022.

b) Functional currency and presentation currency

The Company's functional and presentation currency is the Canadian dollar.

c) Principles of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries (the "Group") as at May 31, 2021 and 2022. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. All intragroup balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full. The Company had two wholly owned subsidiaries, Havilah Mines Ltd., and Minera Santa Elisa SAC.

On December 1, 2021, the Company disposed of its two wholly owned subsidiaries Havilah Mines Ltd. and Minera Santa Elias SAC for $1.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all period presented in these financial statements, unless otherwise indicated.

a) Cash

Cash includes cash on hand, deposits held with financial institutions and amounts held in trust on behalf of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

b) Financial instruments

Financial assets
The Company classifies its financial assets in the following categories: at fair value through profit or loss (“FVTPL”), at fair value through other comprehensive income (“FVTOCI”) or at amortized cost. The determination of the classification of financial assets is made at initial recognition. Equity instruments that are held for trading (including all equity derivative instruments) 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.

The Company’s accounting policy for each of the categories is as follows:

Financial assets at FVTPL: Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed as incurred. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets held at FVTPL are recognized in profit or loss.

Financial assets at FVTOCI: 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 arising from changes in fair value recognized in other comprehensive income (loss).

Financial assets at amortized cost: A financial asset is measured at amortized cost if the objective of the business model is to hold the financial asset for the collection of contractual cash flows, and the asset's contractual cash flows are comprised solely of payments of principal and interest. They are classified as current assets or non-current assets based on their maturity date and are initially recognized at fair value and subsequently carried at amortized cost less any impairment.

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

The following table shows the classification of the Company’s financial assets and liabilities under IFRS:

Financial asset or liability	IFRS 9 Classification
Cash	FVTPL
Trade and other payables	Amortized cost
Loans	Amortized cost

3. SIGNIFICANT ACCOUNTING POLICIES (continued):

c) Share-based compensation

The stock option plan allows Company employees and consultants to acquire shares of the Company. The fair value of options granted is recognized as a share-based compensation expense with a corresponding increase in equity. An individual is classified as an 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. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to share capital.

The fair value is measured at grant date and each tranche is recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the number of stock options that are expected to vest.

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

Share-based payments to non-employees are measured at the fair value of the goods or services received or if such fair value is not reliably measurable, at the fair value of the equity instruments issued.

d) Loss per common share

Basic loss per share has been calculated using the weighted average number of common shares outstanding during the year.

Diluted loss per share has been calculated using the weighted average number of common shares that would have been outstanding during the respective period had all of the stock options and warrants outstanding at year-end having a dilutive effect been converted into shares at the beginning of the year and the proceeds used to repurchase the Company's common shares at the average market price for the year. If these computations prove to be anti-dilutive, diluted loss per share is the same as basic loss per share.

e) New standards, interpretations and amendments not yet adopted

As at May 31, 2022, the IASB and IFRIC had issued the following new and revised standards, amendments and interpretations which are not yet effective during the reporting period:

- IAS 1, '*Presentation of Financial Statement*s' was amended in January 2020 to address inconsistences with how entities apply the standard over classification of current and non-current liabilities. The amendment addresses whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current or non-current. This amendment is effective for annual years beginning on or after January 1, 2023.

The Company has not early adopted these standards, amendments and interpretations and anticipates that the application of these standards, amendments and interpretations will not have a material impact on the financial position and financial performance of the Company.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The Company makes estimates and judgments about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the year of the change, if the change affects that year only, or in the year of the change and future years, if the change affects both.

Information about critical estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the financial statements are discussed below.

Critical judgments

Critical accounting judgments that management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements include, but are not limited to, the going concern assumption.

5. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel:

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 executive and non-executive members of the Company's Board of Directors and corporate officers.

There were no related party transactions for the years ended May 31, 2022 and 2021.

6. CAPITAL STOCK

Authorized capital stock: unlimited number of common shares without par value.

There were no shares issued by the Company during the years ended May 31, 2022 and 2021.

Stock options

On November 25, 2010, the Company's Board of Directors at that time, approved the adoption of a stock incentive plan (the "Plan") in accordance with the policies of the TSX Venture Exchange. The Board of Directors is authorized to grant options to directors, officers, consultants or employees. The exercise price of options granted under the Plan shall be as determined by the Board of Directors when such options are granted, subject to any limitations imposed by any relevant stock exchange or regulatory authority. The

(Stated in Canadian Dollars)

6. CAPITAL STOCK (continued):

Stock options (continued):

maximum number of options that may be granted to any one person must not exceed 5% of the common shares outstanding at the time of the grant and at no time will more than 20,136,860 shares be under option pursuant to the Plan. Any options granted under the Plan may vest in the Optionee based on a periodic vesting schedule as determined by the Board of Directors.

There were no options outstanding as at May 31, 2022 and 2021.

Warrants

There were no share purchase warrants outstanding as at the years ended May 31, 2022 and 2021.

7. LOANS

The Company received an aggregate of $22,000 (2021 - $Nil) in loans during the year ended May 31, 2022 from unrelated third parties. The loans are unsecured, bears interest of 10% per annum and are repayable upon demand.

Balance, May 31, 2020 and 2021	$	-
Loans		22,000
Interest		1,636
Balance, May 31, 2022	$	23,636

8. RISK MANAGEMENT

The fair value of the Company's trade and other payables and loans, approximate their carrying value, which is the amount recorded on the statement of financial position, due to their short terms to maturity. The Company's cash is measured at fair value, under the fair value hierarchy based on level one quoted prices in active markets for identical assets or liabilities.

The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

8. RISK MANAGEMENT (continued):

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

a) credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company considers that the following financial assets are exposed to credit risk:

Cash and receivables
The Company's cash is all held at a large Canadian financial institution in interest bearing accounts. The Company has no investment in asset-backed commercial paper. The Company's receivables consist mainly of GST receivable from the government of Canada. Management believes that the credit risk related to its cash and receivables is negligible.

b) interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash is in a saving account and therefore there is currently minimal interest rate risk.

c) foreign currency risk

The Company is exposed to foreign currency risk to the extent that monetary assets and liabilities held by the Company are not denominated in Canadian dollars. As at May 31, 2022 and 2021, the Company did not have any monetary assets or liabilities which were not denominated in Canadian dollars.

d) price risk

The Company is exposed to price risk with respect to equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. The Company closely monitors the stock market to determine the appropriate course of action to be taken by the Company.

9. INCOME TAX

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

		2022		2021
Loss for the year	**$**	**(52,562)**	$	(72)
Expected income tax recovery		**(14,192)**		(19)
Change in unrecognized deductible temporary difference		**14,192**		19
	$	-	$	-

(Stated in Canadian Dollars)

9. INCOME TAX (continued):

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2022	Expiry Date Range	2021
Non-capital losses carried forward	**$14,764,000**	2023 to 2042	$ 14,711,000
Exploration and evaluation assets	**3,057,000**	No expiry date	3,057,000
Capital loss	**50,000**	No expiry date	50,000
	$17,871,000		$ 17,818,000

10. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support any business transaction. 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.

The Company is largely dependent upon external financings to fund its operations. In order to carry out any planned business transaction and to continue to support the general administrative activities, the Company will spend its existing working capital and raise additional funds as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

There were no changes in the Company's approach to capital management during the years ended May 31, 2022 and 2021. The Company is not subject to externally imposed capital requirements.