NORRLAND GOLD CORP
(FORMERLY PKS CAPITAL CORP.)

Consolidated Financial Statements

For the years ended March 31, 2023 and 2022

(Expressed in Canadian Dollars)

NORRLAND GOLD CORP.
(FORMERLY PKS CAPITAL CORP.)

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF NORRLAND GOLD CORP.

Opinion

We have audited the consolidated financial statements of Norrland Gold Corp. and its subsidiaries (the "Company"), which comprise:

- the consolidated statements of financial position as at March 31, 2023 and 2022;
- the consolidated statements of changes in equity for the years then ended;
- the consolidated statements of loss and comprehensive loss for the years then ended;
- the consolidated statements of cash flows for the years then ended; and
- the 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 Company as at March 31, 2023 and 2022, and its consolidated financial performance and consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company incurred a net and comprehensive loss of $456,428 during the year ended March 31, 2023 and, as of that date, the Company has a deficit of $2,749,715. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Except for the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined that there are no key audit matters to communicate in our auditors' report.

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 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 Management's Discussion and Analysis prior to the date of this auditors' 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 Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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 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.

Auditors' 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 auditors' 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 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 auditors' 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 auditors' 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 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 Company 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditors' report Michelle Chi Wai So.

Smythe LLP

Chartered Professional Accountants

Vancouver, British Columbia

July 31, 2023

NORRLAND GOLD CORP.
(FORMERLY PKS CAPITAL CORP.)

Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at	Notes		March 31, 2023		March 31, 2022
ASSETS					
Current Assets					
Cash		**$**	**723,460**	$	1,450,704
Receivables			**16,776**		15,738
Prepaid Expenses			**13,824**		3,900
			754,060		1,470,342
Investment	6		**223,650**		-
Exploration and evaluation assets	7		**171,327**		157,330
		$	**1,149,037**	$	1,627,672
LIABILITIES					
Current Liabilities					
Trades payable and accrued liabilities	8	**$**	**31,626**	$	10,406
Due to related parties	10		**86,023**		151,322
			117,649		161,728
EQUITY					
Capital stock	9		**3,229,596**		3,229,596
Reserves	9		**551,507**		529,635
Deficit			**(2,749,715)**		(2,293,287)
			1,031,388		1,465,944
		$	**1,149,037**	$	1,627,672

Nature of Business and Going Concern (Note 1)

Approved and authorized by the Board on July 31, 2023:

"Peeyush Varshney" Director
Peeyush Varshney

"Aidan Bishop" Director
Aidan Bishop

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

NORRLAND GOLD CORP.
(FORMERLY PKS CAPITAL CORP.)

Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

		Share Capital								
	Note	Number of common shares		Amount		Reserves		Deficit		Total equity
Balance, March 31, 2021		**4**	**$**	**7**	**$**	**-**	**$**	**(15,199)**	**$**	**(15,192)**
Shares issued on RTO	4	26,849,996		1,562,500		-		-		1,562,500
Options and warrants issued on RTO		-		-		143,665		-		143,665
Shares issued for cash	9(b)	7,000,000		1,750,000		-		-		1,750,000
Finder's fees	4,9(b)	300,000		75,000		-		-		75,000
Agents' warrants	9(e)	-		(69,937)		69,937		-		-
Share Issuance Cost	9(b)	-		(127,831)		-		-		(127,831)
Exercise of agents warrants	9(b)	250,000		39,857		(14,857)		-		25,000
Share-based compensation	9(d)	-		-		330,890		-		330,890
Net loss for the year		-		-		-		(2,278,088)		(2,278,088)
Balance, March 31, 2022		**34,400,000**	**$**	**3,229,596**	**$**	**529,635**	**$**	**(2,293,287)**	**$**	**1,465,944**
Share-based compensation	9(d)	-		-		21,872		-		21,872
Net loss for the year		-		-		-		(456,428)		(456,428)
Balance, March 31, 2023		**34,400,000**	**$**	**3,229,596**	**$**	**551,507**	**$**	**(2,749,715)**	**$**	**1,031,388**

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

NORRLAND GOLD CORP.
(FORMERLY PKS CAPITAL CORP.)

Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

			For the years ended March 31,		
	Notes		**2023**		2022
EXPENSES					
Administration	10	**$**	**114,000**	$	76,000
Directors fees	10		**161,010**		114,082
Management fees	10		**80,505**		56,679
Office and miscellaneous			**4,548**		7,141
Professional fees			**56,090**		23,563
Regulatory and transfer agent fees			**16,190**		12,369
Share based compensation	9(d)		**18,275**		282,610
Loss before other items			**(450,618)**		(572,444)
OTHER ITEMS					
Interest income			**-**		542
Listing expense	4		**-**		(1,708,109)
Foreign exchange gain (loss)			**(3,766)**		1,923
Write-off of exploration and evaluation assets	7		**(2,044)**		-
			(5,810)		(1,705,644)
Net and comprehensive loss for the year		**$**	**(456,428)**	$	(2,278,088)
Basic and diluted loss per share		**$**	**(0.01)**	$	(0.09)
Weighted average number of shares outstanding					
- basic and diluted			**34,400,000**		25,905,327

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

NORRLAND GOLD CORP.
(FORMERLY PKS CAPITAL CORP.)

Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	For the years ended March 31, 2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the year	**$ (456,428)**	$ (2,278,088)
Items not affecting cash:		
Share-based compensation	**18,275**	282,610
Listing expense	**-**	1,588,174
Write-off of exploration and evaluation assets	**2,044**	-
	(436,109)	(407,304)
Changes in non-cash working capital items:		
Receivables	**(1,038)**	(13,944)
Prepaid expenses	**(9,924)**	47,326
Trades payable and accrued liabilities	**21,220**	(38,051)
Due to related parties	**(65,299)**	167,370
Net cash used in operating activities	**(491,150)**	(244,603)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation asset costs	**(12,444)**	(109,050)
Cash acquired on reverse takeover	**-**	178,573
Investment	**(223,650)**	-
Net cash used in investing activities	**(236,094)**	69,523
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of shares, net	**-**	1,622,169
Proceeds from issuance of warrants	**-**	25,000
Advances from (repayment) to related parties	**-**	(21,385)
Net cash from financing activities	**-**	1,625,784
Change in cash	**(727,244)**	1,450,704
Cash, beginning of year	**1,450,704**	-
Cash, end of year	**$ 723,460**	$ 1,450,704

Supplemental cash flow information		
Allocation from reserves to capital stock upon exercise of agent's warrants (Note 8(b))	**$ -**	$ 14,857
Fair value recognition on finder's warrants issued in connection to the Company's concurrent financing (Note 8(b))	**$ -**	$ 69,937
Fair value of Finder’s shares issued in connection to the reverse acquisition	**$ -**	$ 75,000
Share-based compensation capitalized to mineral property	**$ 3,597**	$ 48,280
Cash paid for interest	**$ -**	$ -
Cash paid for taxes	**$ -**	$ -

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

1. NATURE OF BUSINESS AND GOING CONCERN

Norrland Gold Corp. (formerly PKS Capital Corp.) (the "Company" or "Norrland") was incorporated under the laws of the Province of British Columbia.

On July 19, 2021, the Company completed its Qualifying Transaction ("QT") with Horizon Gold Ltd. ("Horizon Gold"), whereby the Company acquired 100% of Horizon Gold by way of a reverse takeover. Horizon Gold is a company incorporated in the United Kingdom, focused on gold exploration in mineral-rich Sweden.

The acquisition constitutes the Company's QT, as such term is defined in Policy 2.4, Capital Pool Companies, of the TSX Venture Exchange ("Exchange"). The Company, upon completion of the acquisition, changed its name to Norrland Gold Corp. and will continue the business of Horizon Gold. On July 21, 2021, the Company commenced trading under its new symbol "NORR". On December 2, 2021, the Company's shares have been listed on the Frankfurt Stock Exchange under the trading symbol "8VC".

Upon completion of the QT, the Company owns 100% of the Vittanträsket No. 1 tenement (No. 2019000975), located in the municipality of Lycksele in the county of Västerbotten in Sweden, covering 3,724.17 hectares and the related Vittanträsket No. 1 exploration permit. The Company's primary business is precious metals exploration that is focused on gold discovery in mineral-rich Sweden. See Note 4 for details of the Transaction.

On January 19, 2022, the Company incorporated Nordmark Exploration AB ("Nordmark"), a wholly owned subsidiary of the Company, in Sweden as the operating entity for Swedish exploration.

During the year ended March 31, 2023, Horizon Gold voluntarily applied to the United Kingdom corporate register office for dissolution of the entity. Effective June 21, 2022, Horizon Gold has been dissolved (Note 5).

The Company's head office and principal address is Suite 2050-1055 West Georgia Street, PO Box 11121, Royal Centre, Vancouver, BC V6E 3P3. The registered and records office is Suite 1008-550 Burrard Street, Vancouver, BC V6C 2B5.

These consolidated financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. There are material uncertainties that may cast significant doubt about the appropriateness of the going concern assumption as the Company has not generated any revenues. The Company has incurred operating losses since inception and has a net loss for the year ended March 31, 2023 of $456,428 (2022 - $2,278,088) and an accumulated deficit of $2,749,715 (2022 - $2,293,287) at that date. These consolidated financial statements do not include any adjustments related to the recoverability of assets and classification of liabilities that might be necessary should the Company be unable to continue as a going concern. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

These consolidated financial statements were authorized for issue on July 31, 2023 by the directors of the Company.

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 issued by the International Financial Reporting Interpretations Committee ("IFRIC").

Basis of presentation

The consolidated financial statements of the Company have been prepared on an accrual basis, except for cash flow information, and are based on the historical cost basis, except for financial instruments at fair value. These consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Principles of consolidation

These consolidated financial statements include amounts of the Company and its wholly owned subsidiaries, Horizon Gold and Nordmark.

Subsidiaries are corporations in which the Company is able to control the financial operating, investing and financing activities and policies, which is the authority usually connected with holding majority voting rights. The consolidated financial statements include the accounts of the Company and its controlled entities from the date on which control was acquired. Horizon Gold and Nordmark use the same reporting period and the same accounting policies as the Company.

All inter-entity balances and transactions, including unrealized profits and losses arising from inter-company transactions, have been eliminated on consolidation.

Functional and Presentation Currency

The functional currency of an entity is the currency of the primary economic environment in which the entity operates.

The functional currency of the Company is the Canadian dollar. Additionally, the functional currency of Horizon Gold changed from the UK Pound Sterling "GBP" to the Canadian dollar effective July 19, 2021. The change in functional currency was triggered by the acquisition of Horizon Gold by the Company (Note 4) due to the internal integration activities that followed the acquisition and considering the significance of the Canadian dollar transactions. Lastly, the functional currency of Nordmark is Sweden "SEK". The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

Transactions in currencies other than the functional currency for an entity are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Functional and Presentation Currency (cont'd)

Exchange gains and losses arising on translation are included in the consolidated statement of (loss) income.

The subsidiary with a SEK functional currency has been translated into Canadian dollars as follows: monetary assets and liabilities are translated at year end exchange rates and while non-monetary assets and liabilities are translated at historical rates. The revenues and expenses are translated using average rates over the year. Translation gains and losses relating to the foreign operations are included in accumulated other comprehensive loss as a separate component of shareholders' equity.

The Company's presentation currency is the Canadian dollar.

Significant judgment, assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted prospectively in the period in which the estimates are revised.

Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Critical judgments

Going concern

The assumption that the Company will be able to continue as a going concern is subject to critical judgments by management with respect to assumptions surrounding the short and long-term operating budget, expected profitability, investing and financing activities, and management's strategic planning. Should those judgments prove to be inaccurate, management's continued use of the going concern assumption could be inappropriate.

Business combinations

At the time of acquisition, the Company considers whether each acquisition represents the acquisition of a business or the acquisition of an asset. The Company accounts for an acquisition as a business combination where an integrated set of activities and assets is acquired. More specifically, consideration is given to the extent to which significant processes are acquired.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized. The QT was accounted for as an asset acquisition (Note 4).

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Critical judgments (cont'd)

Control

At the time of acquisition, the Company assesses whether it has control over the acquiree. Control exists when the Company has power over an entity, when the Company is exposed, or has rights, to variable returns from the entity and when the Company has the ability to affect those returns through its power over the entity. Where control exists, the Company consolidates the results of the acquired entity.

In the acquisition of Horizon Gold, it was determined that control resides with Horizon Gold as the former shareholders of Horizon Gold became the majority shareholders of the combined entity. As a result, the transaction was accounted for as a reverse takeover.

In the acquisition of a 24.3% equity stake in Eversley Resources Pty ("Eversley"), it was assessed that control and significant influence does not reside with Norrland. Consequently, in accordance with accounting principles, this transaction has been treated as an investment in financial instruments. As such, the investment in the equity stake of Eversley is classified as a financial asset and accounted under IFRS 9.

Impairment of Exploration and Evaluation Assets

The application of the Company's accounting policy for exploration and evaluation expenditures requires judgment in determining whether it is likely that future economic benefits will flow to the Company. Assets or cash-generating units ("CGUs") are evaluated at each reporting date to determine whether there are any indications of impairment. The Company considers both internal and external sources of information when making the assessment of whether there are indications of impairment for the Company's mineral properties.

Functional Currency

The Company applies judgment in assessing the functional currency of each entity consolidated in these consolidated financial statements. The functional currency of the Company and its subsidiaries is determined using the currency of the primary economic environment in which the entity receives funding for operations.

Key Sources of Estimation Uncertainty

Significant estimates made by management affecting these consolidated financial statements include:

Share-based compensation

Share-based compensation expense is measured by reference to the fair value of the stock options at the date at which they are granted. Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Key Sources of Estimation Uncertainty (cont'd)

This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The Company estimates volatility based on historical share price of comparable companies, excluding specific time frames in which volatility was affected by specific transactions that are not considered to be indicative of the entities' expected share price volatility. The expected life of the options is based on historical experience and general option holder behaviour. Dividends were not taken into consideration as the Company does not expect to pay dividends. Management also makes an estimate of the number of options that will forfeit, and the rate is adjusted to reflect the actual number of options that vest. The value of the share-based compensation expense for the year along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed in Note 9.

Fair value of consideration in reverse take-over transaction

The fair value of consideration to acquire the Company in the reverse take-over transaction comprised of common shares. Common shares were fair valued on the date of issuance. The Company applied IFRS 2 *Share-based Payment* in accounting for the acquisition and valuation of the replacement options and agent's warrants.

Carrying value and recoverability of exploration and evaluation assets

The carrying amount of the Company's exploration and evaluation assets does not necessarily represent present or future values, and the Company's exploration and evaluation assets have been accounted for under the assumption that the carrying amount will be recoverable. Recoverability is dependent on various factors, including the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the development and upon future profitable production or proceeds from the disposition of the mineral properties themselves. Additionally, there are numerous geological, economic, environmental, and regulatory factors and uncertainties that could impact management's assessment as to the overall viability of its properties or to the ability to generate future cash flows necessary to cover or exceed the carrying value of the Company's exploration and evaluation assets.

Investments in privately held companies.

The fair value of any shares which are not listed or traded upon a stock exchange are originally recorded at cost. After the initial recognition, the investments in privately held companies are accounted for using the Fair Value through Profit and Loss ("FVPL") or the equity method of accounting, as appropriate. The fair value of these investments can be highly judgmental due to absence of an active market or other reliable valuation technique. At each period end, the Company evaluates whether an event or change in circumstances has occurred that may indicate change in fair value. If the Company determines the investment has suffered a decline in value as a result of an independent thirds party transaction or indicated by an assessment of the financial condition of the investment based on operational results, forecasts and other developments, the Company writes down the investment to its estimated fair value.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Financial instruments

(i) Classification

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.

(ii) Measurement

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. 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 profit or loss in the period in which they arise.

Debt investments at FVTOCI
These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in Other Comprehensive Income (loss) ("OCI"). On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVTOCI
These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Financial instruments (cont'd)

(iii) 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 loss allowance for the financial asset is measured 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 loss allowance is measured for the financial asset at an amount equal to twelve month expected credit losses. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized.

(iv) 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.

Financial liabilities
The Company derecognizes a financial liability when its contractual obligations are discharged, cancelled, or expired. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and/or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

The Company has made the following designations of its financial instruments:

Financial assets	
Cash	FVTPL
Investment	FVTPL
Financial liabilities	
Trade payables and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Exploration and evaluation assets

Pre-exploration Costs
Pre-exploration costs are expensed in the year in which they are incurred.

Acquisition Costs and Exploration and Evaluation Expenditures
The fair value of all consideration paid to acquire an exploration and evaluation asset is capitalized. Consideration may include cash, loans or other financial liabilities, and equity instruments including common shares and share purchase warrants.

The exploration and evaluation expenditures incurred prior to the Company obtaining the legal rights to explore an area of interest are recorded as property investigation and are expensed, and expenditures from the date legal rights are obtained and recorded as exploration expenditures are capitalized to exploration and evaluation assets. These direct expenditures include such costs as materials used, surveying costs, drilling costs, payments made to contractors and depreciation on property and equipment during the exploration phase.

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

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

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

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Impairment of non-financial assets

Non-financial assets, including exploration and evaluation assets, are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is carried out on the asset's cash-generating unit, which is the lowest group of assets in which the asset belongs for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets.

An impairment loss is charged to profit or loss, except to the extent they reverse gains previously recognized in other comprehensive income (loss).

Common shares

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares are classified as equity instruments.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Warrants

Equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of commons shares and a certain number of share purchase warrants.

The Company applies the residual value method with respect to the measurement of shares and warrants issued as units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing market price on the announcement date. The remaining balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded in the reserve account. When warrants expire unexercised, the fair value remains in reserves.

Share-based compensation

The Company has a share option plan. The fair value of share-based compensation to employees is measured at grant date using the Black-Scholes Option Pricing Model, and is recognized over the vesting period using the graded vesting method.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Share-based compensation (cont'd)

The fair value of share-based compensation to non-employees is measured at the date the goods or services are received, at either the fair value of the goods or services received or the fair value of the equity instruments issued using the Black-Scholes Option Pricing Model, if the fair value of the goods or services received cannot be readily measured.

For both employees and non-employees, the fair value is recognized as an expense with a corresponding increase in the reserve. The amount recognized as expense is adjusted to reflect the number of share options expected to vest. For share options granted with vesting terms conditional upon the achievement of a performance condition, and the performance condition is not a market condition, the Company revises its estimates of the length of the vesting period, if necessary, when information arises that indicates that the length of the vesting period differs from previous estimates. When this occurs, the change in estimate is accounted for prospectively.

Compensation expense is recorded in the consolidated statement of loss and comprehensive loss as share-based compensation expense with a corresponding credit to reserve. When stock options are exercised, the proceeds, together with the amount recorded in the reserve account, are recorded in share capital. When stock options expire unexercised, the fair value remains in reserve.

Earnings (loss) per share

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of shares outstanding during the period. Diluted earnings (loss) per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is antidilutive. Shares held in escrow, other than where their release is subject to the passage of time, are not included in the calculation of the weighted average number of common shares outstanding.

Foreign currency transaction and balances

Transactions in currencies other than the entity's functional currency are recorded at the average rates of exchange prevailing at the dates of the transactions. 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. The resulting foreign exchange gains or losses are recorded in profit or loss.

Income taxes

Current income taxes

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of each reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION (cont'd)

Income taxes (cont'd)

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized, or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

3. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

Certain accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's consolidated financial statements.

4. REVERSE TAKEOVER OF HORIZON GOLD LTD.

Pursuant to a Share Exchange Agreement dated August 7, 2020 ("Share Exchange Agreement"), the Company acquired 100% of the issued and outstanding common shares of Horizon Gold (Note 1). Each Horizon Gold shareholder received 1 Norrland ("Resulting Issuer") share for each share of Horizon Gold held. Accordingly, an aggregate of 20,600,000 Resulting Issuer shares were issued to shareholders of Horizon Gold (the "Transaction"). Pursuant to the Share Exchange Agreement, the shareholders of Horizon Gold owned 60.32% of the Company and acquired control of the Company and, as a result, the QT is considered a reverse acquisition of the Company by Horizon Gold.

The acquisition was accounted for in accordance with the guidance provided by IFRS 2 *Share-based Payment* and IFRS 3 *Business Combinations* ("IFRS 3"). As the Company did not meet the definition of a business as defined by IFRS 3 as there were no substantive processes in place, the transaction does not constitute a business combination; rather, it is treated as an issuance of shares by Horizon Gold for the net assets of the Company and the Company's listing status with Horizon Gold as the continuing entity.

In accordance with IFRS 2, the fair value of the share issuance was determined to be $1,562,500 or $0.25 per common share, based on the estimated fair value at the acquisition date.

(Expressed in Canadian Dollars)

4. REVERSE TAKEOVER OF HORIZON GOLD LTD. (cont'd)

The Company recorded a fair value of $106,156 and $37,509 for 515,000 stock options and 250,000 agent's warrants issued as determined using the Black-Scholes Option Pricing Model based on the following assumptions:

	Stock Options	Agent's Warrants
Risk free interest rate	0.71%	0.39%
Expected dividend yield	-%	-%
Expected volatility*	118.87%	73.25%
Expected life	3.09 years	0.09 years
Exercise Price	$0.10	$0.10
Share price at grant date**	$0.25	$0.25
Fair value at grant date	$0.21	$0.15

* Expected volatility has been based on similar publicly traded companies

** Share price based on last share raise prior to RTO completion date

(i) The fair value of all the consideration given and charged to listing expense was comprised of:

Consideration		
Fair value of shares retained by former PKS Capital Corp. shareholders (6,250,000 shares at $0.25)	$	1,562,500
Replacement stock options issued		106,156
Replacement agent's warrants issued		37,509
Finder's shares		75,000
Transaction costs		119,935
	$	1,901,100
Identifiable assets acquired – At July 19, 2021		
Cash	$	178,573
Prepaid		51,226
Receivables		1,794
Trade payables		(38,602)
		192,991
Unidentified assets acquired		
Listing expense		1,708,109
Total net identifiable assets and transaction costs	$	1,901,100

4. REVERSE TAKEOVER OF HORIZON GOLD LTD. (cont'd)

(ii) The Company incurred additional expenses related to the Transaction of $119,935.

(iii) In connection to the RTO, the Company:

(a) Completed the non-brokered private placement of 7,000,000 units of the Company (the "Units") at $0.25 per Unit for gross proceeds of $1,750,000. Each Unit consists of one common share and one-half of one share purchase warrant. Each full warrant is exercisable to purchase one common share at a price of $0.40 for a period of 18 months from the date of issuance.

Finder's fees of $122,500 were paid in cash and 490,000 finder's warrants (the "Finder's Warrants") were issued in connection with the private placement to a registered finder. Each Finder's Warrant is non-transferrable and is exercisable to purchase one common share at a price of $0.25 for a period of two years from the date of issuance. The Company recorded a fair value of $69,937 on the Finder's Warrants (Note 9(e)). The Company also incurred $5,331 in other related share issuance costs.

(b) Issued 300,000 common shares of the Company to an arm's length party as finder's fee at a fair value of $75,000.

5. HORIZON GOLD

In 2021, the Company completed a QT with Horizon Gold (Note 4), a company which held the tenements of Vittantraskey, Pingisvaara, and Liljendal (the "Tenements") (Note 7). The Company's management have determined that it was in the Company's best interest to dissolve Horizon Gold and to transfer the Tenements to Nordmark to continue exploration on the properties. During the year ended March 31, 2023, Horizon Gold completed the transfer of the Tenements to Nordmark and applied to voluntarily dissolve the entity. Effective June 21, 2022, Horizon Gold was dissolved.

6. INVESTMENT

The investment represents a non-controlling equity interest of 24.3% in Eversley Resources Pty ("Eversley"), a privately held Australian company in copper, gold, and rare earth elements exploration in Tier 1 Australian mineral provinces in which the Company does not have significant influence or control. As of March 31, 2023, the carrying value of the investment stands at CAD$223,650 (A$250,000), which represents the original cost of acquisition.

7. EXPLORATION AND EVALUATION ASSETS

As at March 31, 2023, the Company held the following tenements:

Vittanträsket:
Vittanträsket is a gold prospect located in the "Gold-line" in Västerbotten province. The Vittanträsket tenement, covering 3,741 hectares, is valid until December 20, 2024, and can thereafter be renewed.

On April 27, 2020, the Company entered into a Letter of Agreement with a third party, Goldore Sweden AB ("Goldore"), to acquire Vittanträsket, Tenement.

Following are the terms of the agreement:

(i) The Company shall reimburse Goldore for tenement application and occupation fees in the amount of Swedish Krona SEK75,000 (CAD $11,263). This amount has been paid by related parties of the Company.

(ii) Upon the tenement declaring a Joint Ore Reserves Committee ("JORC") compliant resource estimate of 250,000 ounces of gold, the Company will issue Goldore a number of common shares equivalent to USD $250,000.

(iii) Upon the tenement declaring commercial production, Goldore shall be entitled to receive a 1% Net Smelter Return ("NSR") Royalty (the "Royalty"). The Company may buy out the Royalty at any time by paying Goldore the amount of USD $4,000,000.

Pingisvaara:
Pingisvaara covers a strong geochemical gold anomaly. Pingisvaara lacks outcrop and is located in the extreme northern part of Sweden, just kilometers to the northern border with Finland. The Pingisvaara tenement, covering 900 ha within Kiruna Municipality, Northern Sweden, is valid until March 10, 2024, and can thereafter be renewed.

Junsele:
The Junsele tenement covers 1,225 ha over a layered mafic with ultramafic layers intrusion in Sollefteå Municipality, Central Sweden. The tenement is valid until November 11, 2024, and can thereafter be renewed.

During the year ended March 31, 2023, the Company received a cash refund of SEK19,600 in occupation fees from Bergsstaten, the Mining Inspectorate authority of Sweden. The Company decided to discontinue further exploration of Junsele as the historical results could not be verified and recorded a write off of the property in the amount of $2,044 (SEK16,540).

Liljendal:
The Liljendal Rare Earth Elements ("REE") tenement, located in central Sweden, covers an area of 1,732 hectares. The first exploration period expires February 2, 2025.

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS (cont'd)

Summary of exploration expenditures incurred on the properties:

	Vittanträsket ($)	Pingisvaara ($)	Junsele ($)	Liljedal ($)	Total ($)
Acquisition costs:					
Balance, March 31, 2021	**28,972**	**-**	**-**	**-**	**28,972**
Additions	8,180	2,605	4,828	3,474	19,087
Balance, March 31, 2022	**37,152**	**2,605**	**4,828**	**3,474**	**48,059**
Recovery of occupation fees	-	-	(2,430)	-	(2,430)
Write-off of exploration and evaluation asset	-	-	(2,044)	-	(2,044)
Foreign exchange translation adjustment	(179)	(3)	(354)	(78)	(614)
Balance, March 31, 2023	**36,973**	**2,602**	**-**	**3,396**	**42,971**
Deferred exploration:					
Balance, March 31, 2021	**-**	**-**	**-**	**-**	**-**
Geological	55,043	-	-	-	55,043
Travel	5,948	-	-	-	5,948
Share-based compensation	48,280	-	-	-	48,280
Balance, March 31, 2022	**109,271**	**-**	**-**	**-**	**109,271**
Assays	1,691	-	-	-	1,691
Geological (adjustment)	(438)	-	-	-	(438)
Survey	14,126	-	-	-	14,126
Share-based compensation (Note 9(d))	3,597	-	-	-	3,597
Foreign exchange translation adjustment	109	-	-	-	109
Balance, March 31, 2023	**128,356**	**-**	**-**	**-**	**128,356**
Total, March 31, 2022	**146,423**	**2,605**	**4,828**	**3,474**	**157,330**
Total, March 31, 2023	**165,329**	**2,602**	**-**	**3,396**	**171,327**

8. TRADE PAYABLE AND ACCRUED LIABILITIES

	March 31, 2023	March 31, 2022
Trades payable	$ 6,626	$ 406
Accrued liabilities	25,000	10,000
	$ 31,626	$ 10,406

9. SHARE CAPITAL

a. *Authorized*

Unlimited number of common shares without par value.

b. *Issued and outstanding*

During the year ended March 31, 2023, there were no transactions affecting share capital.

During the year ended March 31, 2022, the Company completed the following transactions:

(i) Issued a finder's fee of 300,000 common shares to an arm's length party with a fair value of $75,000 in connection to the Transaction.

(ii) Completed a non-brokered private placement of 7,000,000 units for total gross proceeds of $1,750,000 (Note 4). Each unit consists of one common share and one-half of one share purchase warrant. Each whole share purchase warrant is exercisable at $0.40 per common share until January 19, 2023.

The Company paid a finder's fee of $122,500 in cash and issued 490,000 finder's warrants in connection to the private placement (Note 9(e)). Each Finder's Warrant is non-transferrable and is exercisable to purchase one common share at a price of $0.25 for a period of two years from the date of issuance. The Company recorded a fair value of $69,937 on the Finder's Warrants. The Company also recorded $5,331 in other share issuance costs.

(iii) Issued an aggregate of 250,000 common shares on the exercise of 250,000 agent's warrants for gross proceeds of $25,000. In addition, a reallocation of $14,857 from reserves to capital stock was recorded on the exercise of these agent's warrants.

c. *Escrow shares*

Pursuant to an escrow agreement dated May 29, 2019, and as amended on June 16, 2021, as at March 31, 2023, nil (2022 - 1,325,000) common shares were held in escrow. Under the escrow agreement, 25% of the originally escrowed common shares were released from escrow on the date of the issuance of the final Exchange bulletin (the "Initial Release") upon completion of the Transaction, and an additional 25% released every six months following the Initial Release over a period of 18 months.

Pursuant to a surplus security escrow agreement dated July 19, 2021, as at March 31, 2023, 14,420,000 (2022 - 18,540,000) common shares issued were held in escrow. Under the escrow agreement, 5% of the originally escrowed common shares were released from escrow on the date of issuance of the final Exchange bulletin (the "Bulletin") upon completion of the Transaction and every six months thereafter at 5%, 10%, 15% and 40% over a period of three years.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (cont'd)

c. Escrow shares (cont'd)

The Company has adopted an incentive stock option plan (the "Equity Incentive Plan") (approved on March 11, 2019), and as amended on June 16, 2021, which provides that the board of directors of the Company may from time to time, in its discretion, grant to directors, officers, employees and consultants non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares from time to time at the time at the date of grant. Such options will be exercisable for a period of up to 10 years from the date of grant. Each option agreement with the grantee sets forth, among other things, the number of options granted, the exercise price, expiry date, and the vesting conditions of the options as determined by the Board of Directors.

d. Stock options

Pursuant to the Equity Incentive Plan, the board of directors of the Company may from time to time authorize the issue of options to directors, officers, employees and consultants of the Company and its subsidiaries or employees of companies providing management or consulting services to the Company or its subsidiaries. The number of shares which may be reserved for issuance to any one individual may not exceed 5% of the issued shares on a yearly basis or an aggregate maximum of 2% if the optionee is engaged in investor relations activities or if the optionee is a consultant, no more than 2% per consultant. The Equity Incentive Plan contains no vesting requirements other than those that will apply to options granted to investor relations service providers, but permits the board of directors of the Company to specify a vesting schedule in its discretion.

Stock option transactions are summarized as follows:

	Options Outstanding	Weighted Average Exercise Price	
Outstanding, March 31, 2021	515,000	$	0.10
Granted	1,700,000		0.25
Forfeited	(30,000)		0.25
Outstanding, March 31, 2022 and March 31, 2023	2,185,000	$	0.22

During the year ended March 31, 2023, the Company recorded $21,872 in share-based compensation on the vested portion of stock options granted to certain directors, officers and consultants of the Company of which $3,597 was capitalized to exploration and evaluation assets (Note 7).

During the year ended March 31, 2022, the Company granted an aggregate of 1,700,000 stock options to certain directors, officers, and consultants of the Company and recorded share-based compensation of $330,890 of which $48,280 was capitalized to exploration and evaluation assets.

The Company uses the Black-Scholes Option Pricing Model to calculate the fair value of stock options granted. The model requires management to make estimates, which are subjective and may not be representative of actual results. Changes in assumptions can materially affect estimates of fair values.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (cont'd)

d. Stock options (cont'd)

The following weighted average assumptions were used to estimate the following weighted average grant date fair values:

	2023	2022
Risk free interest rate	-	0.71%
Expected dividend yield	-	0%
Stock price volatility	-	121.87%
Weighted average expected life	-	5 years
Weighted average fair value	-	$ 0.21

Stock options outstanding and exercisable at March 31, 2023 are summarized as follows:

Number of Options	Exercise Price	Expiry Date	Remaining Life of Options (Years)	Number of Options Exercisable
515,000	$ 0.10	August 19, 2024	1.39	515,000
1,670,000	$ 0.25	July 19, 2026	3.30	1,670,000
2,185,000	$ 0.22		2.85	2,185,000

e. Warrants

Warrant transactions are summarized as follows:

	Warrants Outstanding	Weighted Average Exercise Price
Outstanding, March 31, 2021	250,000	$ 0.10
Issued	3,990,000	0.38
Exercised	(250,000)	0.10
Outstanding, March 31, 2022	3,990,000	0.38
Expired	(3,500,000)	0.40
Outstanding, March 31, 2023	490,000	$ 0.25

During the year ended March 31, 2023, there were no transactions affecting warrants.

During the year ended March 31, 2022, the Company issued the following warrants:

i) 3,500,000 share purchase warrants at an exercise price of $0.40 per common share until January 19, 2023 in connection to the non-brokered private placement of 7,000,000 units for total gross proceeds of $1,700,000 (Note 9(b)).

ii) 490,000 non-transferrable Finder's Warrants in connection to its non-brokered private placement (Note 9(b)). The Finder's Warrants are exercisable at a price of $0.25 per share expiring July 19, 2023. The Company recorded $69,937 in reserves on the Finder's Warrants.

(Expressed in Canadian Dollars)

9. SHARE CAPITAL (cont'd)

e. Warrants (cont'd)

The warrants outstanding and exercisable as at March 31, 2023 are summarized as follows:

	Number of warrants outstanding	Exercise price	Expiry date	Weighted average life of warrants (years)	Number of warrants exercisable
Agents' warrants	490,000	$ 0.25	July 19, 2023	0.30	490,000
	490,000	$ 0.25		0.30	490,000

The fair value of the agent's warrants granted was calculated using the Black-Scholes Option Pricing Model with the following weighted average assumptions:

	2023	2022
Risk free rate	–	0.39%
Dividend yield	–	–
Weighted average volatility	–	111.42%
Weighted average expected life	–	2 years
Weighted average fair value	–	$0.14

The expected volatility assumption is based on the historical and implied volatility comparable companies. The risk-free interest rate assumption is based on yield curves on Canadian government zero-coupon bonds with a remaining term equal to the agents' warrants expected life. The Company has not paid and does not anticipate paying dividends on its common stock.

10. RELATED PARTY TRANSACTIONS

Key management personnel includes persons having the authority and responsibility for planning, directing, and controlling the activities of the Company as a whole. Key management personnel comprise of the directors of the Company, executive and non-executive, and officers.

The remuneration of the key management personnel during the years ended March 31, 2023 and 2022 were as follows:

March 31,	2023	2022
Management fees (ii)	$ 80,505	$ 56,679
Directors' fees (iii)	161,010	114,082
Total	$ 241,515	$ 170,761

10. RELATED PARTY TRANSACTIONS (cont'd)

Other related party transactions and balances

(i) On July 20, 2021, the Company entered into an administrative services agreement with Varshney Capital Corp. ("VCC"), a company with a director in common, for administrative services provided to the Company for an initial term of one year and thereafter, on an annual basis unless terminated, in exchange for a monthly fee of $9,500 plus taxes.

During the year ended March 31, 2023, the Company paid $114,000 (2022 - $76,000) for administrative fees to VCC.

As at March 31, 2023, $nil (2022 - $140) was due to VCC for reimbursement of operating expenses paid on behalf of the Company. The balance is non-interest bearing and is due upon demand.

(ii) The Company paid or accrued $80,505 (2022 - $56,679) in management fees to the CEO of the Company. As at March 31, 2023, $20,300 (2022 - $78,755) was due to the CEO for management fees and reimbursement of operating expenses paid on behalf of the Company.

(iii) The Company accrued a total of $161,010 (2022 - $114,082) in directors fees to two directors of the Company. As at March 31, 2023, $56,809 (2022 - $62,480) was due to two directors for director fees and reimbursement of operating expenses paid on behalf of the Company.

(iv) As at March 31, 2023, $Nil (2022 - $9,947) was due to a director of the Company for reimbursement of the regulatory and legal fees paid on behalf of the Company.

(v) As at March 31, 2023, $8,104 was due to an officer for reimbursement of operating expenses paid on behalf of the Company.

(vi) During the year ended March 31, 2023, the Company recognized $18,275 (2022 - $187,324) in share-based compensation on 970,000 stock options granted to directors and officers of the Company.

(Expressed in Canadian Dollars)

11. INCOME TAXES

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

	2023	2022
Loss for the year	$ (456,428)	$ (2,278,088)
Statutory rate	27%	27%
Expected income tax recovery at statutory rate	(123,236)	(615,084)
Differences between Canadian and foreign tax rates	503	3,251
Unused tax losses and tax offsets not recognized	127,945	130,617
Under (over) provided in prior year	(21,297)	(24,042)
Expenses not deductible for tax purposes and other	5,486	505,258
Origination and reversal of temporary differences	10,597	-
Income tax recovery	$ -	$ -

The Company recognizes tax benefits on losses or other deductible amounts where the probable criteria for the recognition of deferred tax assets has been met. The Company's unrecognized deductible temporary differences and unused tax losses for which no deferred tax asset is recognized consist of the following amounts:

	2023	2022
Non-capital losses	$ 1,157,833	$ 706,697
Share issue costs	93,986	135,281
Unrecognized deductible temporary differences	$ 1,251,819	$ 841,978

The Company has accumulated Canadian non-capital losses of approximately $1,157,833, which may be deducted in the calculation of taxable income in future years. The losses expire in 20 years after the losses incurred, commencing 2041. The Company has accumulated UK non-capital losses of approximately $55,242, which may be deducted in the calculation of taxable income in future years. The losses can be carried forward indefinitely. The Company has accumulated Swedish non-capital losses of approximately $6,097, which may be deducted in the calculation of taxable income in future years. The losses can be carried forward indefinitely.

12. RISK MANAGEMENT

Fair value estimates of financial instruments are made at a specific point in time, based on relevant information about financial markets and specific financial instruments. As these estimates are subjective in nature, involving uncertainties and matters of significant judgment, they cannot be determined with precision. Changes in assumptions can significantly affect estimated fair values.

12. RISK MANAGEMENT (cont'd)

Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

i) Level 1 – Applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
ii) Level 2 – Applies to assets or liabilities for which there are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly such as quoted prices for similar assets or liabilities in active markets or indirectly such as quoted prices for identical assets or liabilities in markets with insufficient volume or infrequent transactions.
iii) Level 3 – Applies to assets or liabilities for which there are unobservable market data.

Cash are classified as Level 1 within the fair value hierarchy. The carrying value of trade payables and due to related parties approximate their fair value because of the short-term nature of these instruments. The investments in privately held companies are classified as Level 3 within the fair value hierarchy.

Credit risk
Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. The Company believes it has no significant credit risk. The Company's primary exposure to credit risk is on its bank deposits of $723,460 (2022 - $1,450,704). This risk is managed by using major Canadian banks that are high credit quality financial institutions as determined by rating agencies.

Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's objective in managing liquidity risk is to maintain sufficient readily available reserves in order to meet its liquidity requirements at any point in time. The Company achieves this by maintaining sufficient cash and seeking equity financing when needed.

As at March 31, 2023, the Company's current assets consisted of $723,460 (2022 - $1,450,704) in cash, $16,776 (2022 - $15,738) in receivables, and prepaid expenses of $13,824 (2022 - $3,900). The Company's current liabilities consisted of $31,626 (2022 - $10,406) in trades payable and accrued liabilities and $86,023 (2022 - $151,322) in dues to related parties. The Company's trade payables and accrued liabilities have contractual maturities of less than 30 days and are subject to normal trade terms. The Company's due to related parties is non-interest bearing with no fixed terms of repayment.

Market risk
Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices. As at March 31, 2023, the Company is exposed to equity price risk and the carrying value of the investment amounting to $ 223,650 represents the maximum exposure to equity price risk.

Interest rate risk
Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Company is not exposed to significant interest rate risk.

12. RISK MANAGEMENT (cont'd)

Foreign currency risk
Foreign currency risk is the risk that a variation in exchange rates between GBP, SEK and other foreign currencies will affect the Company's operations and financial results. The Company does not hold significant monetary assets or liabilities in foreign currencies and therefore is not exposed to significant risks arising from the fluctuation of foreign exchange rates.

Price risk
The Company is exposed to price risk with respect to commodity and 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. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors certain commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

13. CAPITAL MANAGEMENT

The Company's objectives of capital management are intended to safeguard the entity's ability to support the Company's normal operating requirement on an ongoing basis, continue the development and exploration of its mineral properties, and support any expansionary plans. 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 considers its capital to be equity.

The Company's operations are currently not generating positive cash flow; as such, the Company is dependent on external financing to fund its activities. In order to carry out potential expansion and to continue operations and pay for administrative costs, the Company will spend its existing working capital, and raise additional amounts as needed. Companies in this stage typically rely upon equity and debt financing or joint venture partnerships to fund their operations. The current financial markets are very difficult and there is no certainty with respect to the Company's ability to raise capital. Management may require to seek additional sources of financing in the form of equity or debt financing in the future. These uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company is not subject to any externally imposed capital requirements.

14. SEGMENTED INFORMATION

The Company has one reportable operating segment, being the acquisition and exploration of resource properties in Sweden. All of the Company's long-term assets are located in Sweden.