DLP RESOURCES INC.

Condensed Interim Consolidated Financial Statements

For the three months ended July 31, 2021 and 2020
(Unaudited)

Contents

Notice of No Auditor Review of Condensed Interim Consolidated Financial Statements	**2**
Financial Statements	
Condensed Interim Consolidated Statement of Financial Position	**3**
Condensed Interim Consolidated Statement of Comprehensive Loss	**4**
Condensed Interim Consolidated Statement of Changes in Equity	**5**
Condensed Interim Consolidated Statement of Cash Flows	**6**
Notes to the Interim Financial Statements	**7- 18**

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, these unaudited condensed interim consolidated financial statements of DLP Resources Ltd. for the three months ended July 31, 2021 and 2020 have been prepared by management and approved by the Board of Directors. These unaudited condensed interim consolidated financial statements have not been reviewed by the Company's external auditors in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements.

Robin Sudo	Carol Li
Chief Financial Officer	Audit Committee

September 27, 2021

DLP RESOURCES INC.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	July 31 2021	April 30 2021 (audited)
ASSETS			
Current			
Cash		$ 1,995,781	$ 1,154,193
Receivables		21,462	40,974
Prepaid expenses		73,005	79,450
Total Current Assets		2,090,248	1,274,617
Mineral properties	3	161,671	155,120
Property, plant and equipment		14,254	14,651
Reclamation deposits	4	101,900	66,100
Total Non-Current Assets		277,825	235,871
Total Assets		$ 2,368,073	$ 1,510,488
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current			
Trade and other payables		$ 143,250	$ 176,161
Total Current Liabilities		143,250	176,161
Total Liabilities		143,250	176,161
Shareholders' Equity			
Share capital	5	5,683,061	4,459,967
Share-based payment reserves		606,554	317,294
Share subscription received	5	209,500	300,000
Accumulated deficit		(4,274,291)	(3,742,934)
Total Shareholders' Equity		2,224,824	1,334,327
Total Liabilities and Shareholders' Equity		$ 2,368,073	$ 1,510,488

Refer Note 1 for nature of basis and going concern and 11 for subsequent events.

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

On behalf of the Board:

James Stypula **CEO/Director**

Carol Li **Director**

DLP RESOURCES INC.

Consolidated Statements of Comprehensive Loss

(Expressed in Canadian Dollars)

(Unaudited)

	Notes		Three months ended July 31, 2021		Three months ended July 31, 2020
General and administrative					
Salaries and benefits		$	61,523	$	81,574
Stock-based compensation			8,113		71,039
Consulting fee			26,600		11,674
Exploration costs	3		390,686		170,444
Office and administrative			24,686		13,792
Transfer agent and filing fees			10,878		11,752
Professional fees			18,378		30,366
Travel			2,096		10,592
Depreciation expenses			397		-
Net loss and comprehensive loss for the period		$	531,357	$	401,233
Loss per share					
Weighted average shares outstanding - basic and diluted			69,463,122		42,573,178
Basic and diluted		$	0.01	$	0.01

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

DLP RESOURCES INC.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
(Unaudited)

	Number of shares issued and outstanding	Share capital	Share-based payment - reserve	Share subscription Received	Deficit	Total share-holders' equity
Balance, April 30, 2020	**50,670,631**	**$ 1,579,751**	**$ 188,314**	**$ -**	**$ (1,262,756)**	**$ 505,309**
Shares issued for cash						
Private placement, net of issue costs (Note 5)	7,779,005	1,523,404	-	-	-	1,523,404
Share issued on warrants exercised	125,000	22,838	(4,088)	-	-	18,750
Issued for other consideration						
Finder's warrants (Note 6)	-	(100,332)	100,332	-	-	-
Stock-based compensation (Note 6)	-	-	71,039	-	-	71,039
Net loss for the period				-	(401,233)	(401,233)
Balance, July 31, 2020	**58,574,636**	**$ 3,025,662**	**$ 355,596**	**$ -**	**$ (1,663,989)**	**$ 1,717,269**
Balance, April 30, 2021	**66,512,136**	**$ 4,459,967**	**$ 317,294**	**$ 300,000**	**$ (3,742,934)**	**$ 1,334,327**
Shares issued for cash						
Share subscription received (Note 5)	-	-	-	209,500	-	209,500
Private placement, net of issue costs (Note 5)	1,200,000	288,568	-	(300,000)	-	(11,432)
Private placement, net of issue costs (Note 5)	4,333,967	957,845	269,828	-	-	1,227,673
Issued for other consideration						
Finder's warrants (Note 6)	-	(11,319)	11,319	-	-	-
Flow through share premium (Note 5)	-	(12,000)	-	-	-	(12,000)
Stock-based compensation	-	-	8,113	-	-	8,113
Net loss for the period					(531,357)	(531,357)
Balnace, July 31, 2021	**72,046,103**	**$ 5,683,061**	**$ 606,554**	**$ 209,500**	**$ (4,274,291)**	**$ 2,224,824**

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

DLP RESOURCES INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
(Unaudited)

	Notes	Three months ended July 31, 2021	Three months ended July 31, 2020
Cash flows from operating activities			
Loss for the period		$ (531,357)	$ (401,233)
Adjustment to reconcile loss			
to net cash used in operating activities:			
Stock-based compensation		8,113	71,039
Amortization expenses		397	-
Flow through share premium recovery	5	(12,000)	-
Changes in non-cash working capital balances:			
Decrease (increase) in receivables		19,512	(8,795)
Decrease (increase) in prepaid expenses		6,445	(73,829)
Decrease (increase) in trade and other payables		(32,911)	194,156
Total cash outflows from operating activities		**(541,801)**	**(218,662)**
Cash flows from investing activities			
Purchase of mineral property	3	(6,551)	(20,922)
Increase in reclamation deposit		(35,800)	-
Total cash (outflow) inflows from investing activities		**(42,351)**	**(20,922)**
Cash flows from financing activities			
Proceeds from share issuance	5	1,300,191	1,672,289
Share subscription received	5	209,500	-
Share issue costs	5	(83,950)	(148,885)
Proceeds from exercise of warrants		-	18,750
Total cash inflows from financing activities		**1,425,741**	**1,542,154**
Total increase in cash during the period		**841,589**	**1,302,570**
Cash and cash equivalents, beginning of period		**1,154,193**	**414,728**
Cash and cash equivalents, end of period		**$ 1,995,781**	**$ 1,717,298**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

MG Capital Corporation ("MG" or the "Company") is a publicly traded mineral exploration company and was pursuing opportunities relating to the acquisition and exploration of mineral property interests in British Columbia, Canada. The Company was incorporated on November 9, 2017 under the laws of Alberta. The registered office and records office of the Company is located at 10th Floor, 595 Howe St., Vancouver, V6C 2T5, British Columbia, Canada. The Company's Head Office is located at #201 – 135 – 10th Ave. S., Cranbrook, V1C 2N1, British Columbia, Canada.

On November 14, 2019, the Company completed a reverse asset transaction pursuant to an amalgamation agreement with DLP Resources Inc. ("DLP"), a private mineral exploration company. Subsequently, DLP became the wholly owned subsidiary of MG. MG is trading on TSX Venture Exchange under the symbol of DLP.V as of November 24, 2019. For accounting purposes, the amalgamation is accounted for as a reverse asset acquisition as the shareholders of DLP acquired control of the consolidated entity. DLP is considered the acquiring and continuing entity and MG was the acquired entity.

On January 6, 2021, MG Capital changed its name to "DLP Resources (2020) Limited". On January 25, 2021, DLP Resources (2020) Limited and its wholly owned subsidiary DLP Resources Inc. completed a vertical amalgamation and subsequently changed the amalgamated entity's name to "DLP Resources Inc." The amalgamation streamlined the Company's mining exploration activities under a single corporate entity and reduce corporate and operational expenses.

These condensed interim consolidated financial statements have been prepared in accordance with IFRS applicable to a going concern. Realization values may be substantially different from carrying values as shown and these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. At July 31, 2021, the Company had no source of operating revenues, had not yet achieved profitable operations and the Company expects to incur further losses in the development of its business, all of which indicate the existence of a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern is dependent upon its ability to obtain the financing necessary to complete its exploration projects by issuance of share capital or through joint ventures, and/or proceeds from the disposition of a property. As at July 31, 2021, the Company has an accumulated deficit of $4,273,497 and has working capital of $1,953,333. The Company's current forecast indicates that it is expected to have sufficient cash available for the next year to continue as a going concern.

The Company could also be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on it and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company and its ability to secure any necessary financing.

2. BASIS OF PRESENTATION

a) Statement of Compliance

These unaudited condensed interim consolidated financial statements for the three months ended July 31, 2021 and 2020 (the "Interim Financial Statements") have been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, including International Auditing Standard ("IAS") 34, Interim Financial Reporting ("IAS 34"). These Interim Financial Statements do not include all disclosures required for annual audited financial statements. Accordingly, they should be read in conjunction with the notes to the Company's audited financial statements for the year ended April 30, 2021, which have been prepared in accordance with IFRS issued by the International Accounting Standards Board ("IASB").

These Interim Financial Statements have been prepared using accounting policies consistent with those used in the Company's audited financial statements for the year ended April 30, 2020.

These consolidated financial statements were approved for issue by the board of directors on September 27, 2021.

b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis.

These financial statements are presented in Canadian dollars.

The accounting policies have been applied consistently in these consolidated financial statements, unless otherwise indicated.

c) Basis of consolidation

Effective January 25, 2021, there is only one single corporate entity.

Prior to the amalgamation on January 25, 2021, the consolidated financial statements included the accounts of DLP Resources Inc. and MG Capital Corp. Legally, MG Capital Corp. owned DLP Resources Inc., however, for accounting and presentation purposes, DLP Resources Inc. was the parent entity. All intercompany transactions and balances were eliminated on consolidation.

d) Judgments and estimates

The preparation of financial statements in compliance with IFRS requires management to exercise judgment in applying the Company's accounting policies and make certain critical accounting estimates. The areas involving critical judgments in applying accounting policies have the biggest impact on the assets and liabilities recognized in the financial statements**)**

Economic recoverability and probability of future economic benefits of mineral properties

Management has determined that acquisition costs, which are capitalized as mineral properties (Note 3), have future economic benefits and are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefit that may include geologic and metallurgic information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, existing permits and life of mine plans.

(Expressed in Canadian Dollars)

Determination of fair value on contributed mineral property assets by related parties

Assets contributed to the Company by related parties are to be recorded at an exchange fair value comparable to an arms-length transaction. As there is no market value for mineral property assets contributed, judgement was used in determining the fair value measurement of the contributed mineral property assets. The Company determined the fair value of the mineral property assets is consistent with the fair value of Common Shares issued to the related parties in accordance with IFRS 2.

Going concern evaluation.

As discussed in Note 1, these consolidated financial statements have been prepared under the assumptions applicable to a going concern. If the going concern assumption were not appropriate for these consolidated financial statements, then adjustments would be necessary to the carrying value of assets and liabilities, the reported expenses and the consolidated statement of financial position classifications used and such adjustments could be material.

The assessment of the Company's ability to continue as a going concern and to raise sufficient funds to pay its ongoing operating expenditures and meet its liabilities for the ensuing year involves significant judgment based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

3. MINERAL PROPERTIES

	Aldridge 1	Aldridge 2	Redburn	Hungry Creek	DD	Moby Dick	NZOU	Aurora Peru	Total
Net book value, April 30, 2021	$ 56,446	$ 29,688	$ 10,000	$ 17,900	$ 20,000	$ 461	$ 20,625	$ -	$ 155,120
Change In Cost									
Additions	-	-	-	-	-	-	-	6,551	6,551
Net book value, July 31, 2021	**$ 56,446**	**$ 29,688**	**$ 10,000**	**$ 17,900**	**$ 20,000**	**$ 461**	**$ 20,625**	**$ 6,551**	**$ 161,671**

Aldridge 1 (RJ) and Aldridge 2 (JR) Properties

The Aldridge 1(RJ) and Aldridge 2 (JR) mineral properties are separate claim blocks located near Cranbrook B.C. in the East Kootenay region of the province. The Aldridge 2 property is 6 claims totaling 1,939.5 hectares; the Aldridge 1 property is 46 claims totaling 15,318.14 hectares.

On March 1, 2020, the Company entered into a property earn-in agreement (the "EarnIn Agreement") with each of Jonathan Sean Kennedy, R.D. Craig Kennedy, Darlene E. Lavoie, Thomas Peter James Kennedy, Michael Cameron Kennedy and Frederick A. Cook (for Salt Spring Imaging, Ltd.) (together, the "Field Experts"). Under the Earn-In Agreement, the Field Experts have agreed to grant to the Company an option to acquire up to a 100% interest in certain mineral claims: four (4) Son of Captain claims totaling 126.75 ha and the Liger claim totaling 84.31 ha.

In order to exercise the option to acquire a 100% interest in the properties (Aldridge 1, Aldridge 2, and Hungry Creek), the Company will issue an aggregate of 450,000 common shares of the Company (the "Earn-In Shares") through the issuance of 112,500 Earn-In Shares per year, over a four-year period, issuable to the Field Experts on a pro-rata basis. This year's commitment was fulfilled on March 1, 2021.

Upon completion of the Earn-In Agreement, the Field Experts shall be entitled to a 1% Net Smelter Royalty ("NSR") payable on each of the Properties, with the Company being able to buy back such NSR royalties in exchange for an aggregate of $1,000,000, payable to the Field Experts on a pro-rata basis at the Company's discretion.

For the three months ended July 31, 2021, the Company spent $42,674 on both Aldridge properties compared to $19,593 in the same period of 2020.

Redburn Creek Property

Redburn Creek claims are 12 claim blocks totaling 5,359.5 hectares near Golden, B.C.

The property is owned 100% by the Company and has no ongoing commitments.

For the three months ended July 31, 2021, the Company spent $9,090 on Redburn Creek property compared to $1,325 in the same period of 2020.

Hungry Creek Property

Hungry Creek Property totally 38,685.5 hectares, is comprised of 73 claims (72 claims 100% owned by the Company and 1 claim optioned from the Kennedy Group) and is located west of Kimberley, B.C.

On March 1, 2020, the Company entered into the Earn-In Agreement which added one additional Hungry Miner claim, totaling 62.67 ha, to the property. This year's commitment with regard to the Earn-In Agreement was fulfilled on March 1, 2021.

For the three months ended July 31, 2021, the Company spent $149,316 on Hungry Creek property compared to $39,413 in the same period of 2020.

DD Property

On July 13, 2020, the Company entered into an option agreement to acquire up to a 75% interest in certain mineral claims known as the DD Property, located in BC.

In order exercise the option agreement, and earn an aggregate 75% interest in the property, the Company is required to complete the following terms:

- The Company can earn a 50% undivided interest in the DD Property by incurring $4 million in exploration expenditures and making a total of $250,000 cash payments to the optionor over 48 months from the effective date of the option agreement.
- The Company will have the right to earn an additional undivided 25% interest (bringing their total interest to 75%) by delivering a bankable commercial feasibility study on the DD Property within 96 months of the effective date of the option agreement.

Upon the Company's exercise of the option agreement and acquisition of a 50% or 75% interest in the DD Property, the parties will enter into a joint venture agreement for the further development of the property.

Upon the deemed exercise of the option agreement, the Company will have the right to purchase 50% of a pre-existing NSR of 2.0% [being a 1.0% NSR (0.5% from each individual comprising the underlying NSR holders)], for $1,000,000.

For the three months ended July 31, 2021, the Company spent $172,057 on DD property compared to $108,167 in the same period of 2020.

Moby Dick Property

On June 26, 2020, the Company staked the Moby Dick claim totaling 527.27 ha which adjoins the DD Property. The property is 100% owned by the Company.

For the three months ended July 31, 2021, the Company spent $3,919 on Moby Dick property compared to $200 in the same period of 2020.

NZOU Property

On August 17, 2020, the Company entered into an option agreement with 453999 BC Ltd. ("453") to acquire up to a 100% interest on one mineral claims, totaling 695.7 ha, known as the NZOU Property.

Under the terms of the option agreement, the Company will earn a 51% interest in the NZOU Property by:

- incurring exploration expenditures of $15,000 by December 1, 2020 (incurred).
- issuing 75,000 common shares to 453 within 20 days of the date upon which the TSX Venture Exchange approves the option agreement (issued);
- issuing 75,000 common shares to 453 by February 28, 2021 (issued);
- incurring exploration expenditures of $50,000 by December 31, 2021;
- issuing 75,000 common shares to 453 by February 28, 2022; and
- issuing 75,000 common shares to 453 by February 28, 2023.

The Company can earn an additional 25% interest, bringing their total interest in the property to 75%, by making a cash payment of $100,000 to 453 by December 31, 2024.

The Company can earn an additional 25% interest, bringing their total interest in the property to 100%, by issuing 100,000 common shares to 453 by December 31, 2025.

453 will retain a 2.0% of NSR on the property. The Company will be entitled at any time to purchase up to 50% of the Royalty (being equal to 1.0% of NSR) from 453 for cash consideration of $1,000,000.

For the three months ended July 31, 2021, the Company spent $2,873 on NZOU property compared to $Nil in the same period of 2020.

Aurora – Peru Property

On May 18, 2021, the Company signed a letter of intent with SMRL Parobamba II ("**SP II"**) whereby DLP can acquire a 100% interest (the "**Option**") in the Aurora porphyry copper-molybdenum deposit (the "**Aurora Project**").

In order to earn an undivided 100% ownership interest in the Aurora Project in accordance with the Option, DLP must make the following cash payments to SP II (all of which include all applicable taxes) and incur exploration expenditures on the Aurora Project as follows:

(Expressed in Canadian Dollars)

Event	**Cash Payments (Cumulative)**	**Property Work Commitment (Cumulative)**
Execution of letter of intent	US$5,000	Nil
Signing of option agreement	US$75,000	Nil
The latest of 6 months from the date of execution of the option agreement, or the date on which the last of the permits required for drilling the Aurora Project is approved and issued (the "**Effective Date**")	US$150,000	Nil
Within 12 months of the Effective Date	US$225,000	US$400,000
Within 18 months of the Effective Date	US$300,000	
Within 24 months of the Effective Date	US$400,000	US$950,000
Within 30 months of the Effective Date	US$475,000	
Within 36 months of the Effective Date	US$675.000	US$1,750,000
Within 42 months of the Effective Date	US$750,000	
Within 48 months of the Effective Date	US$3,000,000	US$3,000,000
	US$3,000,000	**US$3,000,000**

For the three months ended July 31, 2021, the Company spent $2,873 on Aurora -Peru property compared to $0 in the same period of 2020.

For the three months period ended July 31, 2021 and the same period in 2020, the Company incurred $390,686 and $170,444, respectively, on exploration costs on its properties. The following tables summarized the exploration costs incurred.

Three months ended July 31, 2021

Exploration Costs	**General**	**Aldridge 1**	**Aldridge 2**	**Redburn**	**Hungry Creek**	**DD**	**Moby Dick**	**NZOU**	**Aurora - Peru**	**Total**
Geology	$ -	$ 1,030	$ -	$ 7,918	$ 5,220	$ 6,438	$ -	$ -	$ -	$ 20,605
Geophysics	-	34,625	-	-	24,971	-	-	-	-	59,596
Drilling	-	-	-	-	105,718	150,351	-	-	-	256,069
Wages/Travel/Admin	-	3,782	2,857	1,173	13,107	15,269	3,919	2,773	10,758	53,637
Maps & Reproductions	-	265	115	-	300	-	-	100	-	780
Total	**$ -**	**$ 39,702**	**$ 2,972**	**$ 9,090**	**$ 149,316**	**$ 172,057**	**$ 3,919**	**$ 2,873**	**$ 2,873**	**$ 390,686**

Three months ended July 31, 2020

Exploration Costs	**General**	**Aldridge 1**	**Aldridge 2**	**Redburn**	**Hungry Creek**	**DD**	**Moby Dick**	**NZOU**	**Aurora - Peru**	**Total**
Geology-Fieldwork	$ -	$ 12,638	$ -	$ 972	$ 13,425	$ 14,975	$ -	$ -	$ -	$ 42,010
Geology-Transport/Fuel	-	-	-	-	15,752	-	-	-	-	15,752
Geophysics	-	-	-	-	7,906	-	-	-	-	7,906
Geochemistry	-	2,769	103	103	185	-	-	-	-	3,160
Drilling	-	1,487	1,487	-	2,045	92,935	-	-	-	97,954
Maps & Reproductions	-	984	125	250	100	257	200	-	-	1,916
Others	1,746	-	-	-	-	-	-	-	-	1,746
Total	**$ 1,746**	**$ 17,878**	**$ 1,715**	**$ 1,325**	**$ 39,413**	**$ 108,167**	**$ 200**	**$ -**	**$ -**	**$ 170,444**

(Expressed in Canadian Dollars)

4. RECLAMATION DEPOSITS

Reclamation bonds are non-interesting bearing funds posted by the Company and held by the BC Government to cover future liabilities concerning un-reclaimed disturbance created by the Company for permitted work performed. The total bond dollars required for each property is determined by the Ministry of Energy and Mines. The bond funds are returned to the Company once the permitted work for a property is completed, and reclamation work is done to a standard approved by the ministry.

As at July 31, 2021, the Company has reclamation bonds on the following properties:

Reclamation Bonds	July 31, 2021	April 30, 2021
Aldridge 1	$ 10,850	$ 10,850
Aldridge 2	3,000	3,000
Hungry Creek	24,250	24,250
DD Property	28,000	28,000
Moby Dick	35,800	-
Total	**$101,900**	**$ 66,100**

5. SHARE CAPITAL

The Company is authorized to issue an unlimited number of Class A Common Shares with no par value.

Share capital

Activities for the three months period ended July 31, 2021

On May 3, 2021, the Company completed a private placement via the issuance of 1,200,000 FT Shares at a price of $0.25 per FT Share for gross proceeds of $300,000. In connection with the private placement, the Company paid a cash finder's fee of $3,500 and legal fee of $7,933. As July 31, 2021, the Company incurred $188,071 of qualified flow through expenditures and recognized a $12,000 flow through share premium recovery on the statement of comprehensive loss.

On June 23, 2021, the Company completed a private placement via the issuance of 4,333,967 units at a price of $0.30 per unit for gross proceeds of $1,300,190. Each unit consists of one common share of the Company and one non-transferable common share purchase warrant (a "Warrant"). Each Warrant entitles the holder to acquire one common share of the Company at a price of $0.40 per share, for a period of 12 months following the issuance of the Warrant. The Company paid to certain cash finder's fees totaling $51,869 and legal fee totaling $20,648. The Company also issued 172,898 finders' warrants, having the same terms as the Warrants.

Activities for the three months period ended July 31, 2020

On July 29, 2020, the Company closed a non-brokered private placement and issued 2,922,051 common shares of the Company at a price of $0.19 per common share and 4,856,954 flow-through common shares of the Company at a price of $0.23 per flow-through share, for combined gross proceeds of $1,672,289.

In connection with the placements, the Company paid an aggregate cash commission of $116,384 and issued an aggregate of 541,146 non-transferable common share purchase warrants of the Company to certain eligible finders. Each finder's warrant will entitle the holder thereof to acquire one common share of the Company for an exercise price of $0.25 per share for a period of two years from closing of the financing. The Company also incurred other share issue costs of $32,501.

(Expressed in Canadian Dollars)

Share subscriptions received

As at July 31, 2021, the Company had received $209,500 of share subscriptions related to the private placement that closed subsequent to the period-end. The associated common shares were issued on August 10, 2021 (see Note 11).

6. WARRANTS AND OPTIONS

1) Warrants

On June 23, 2021, in connection with the private placement, the Company issued an aggregate of 4,333,967 non-transferable warrants to certain eligible holders. In addition, the Company issued 172,898 non-transferable warrants to certain eligible finders.

As of July 31, 2021 and 2020, the Company had outstanding and exercisable warrants as follows:

	Warrants	Exercise price (C$)	Fair value (C$)	Expiry Date
Outstanding at April 30, 2020	**5,474,042**	**0.15**		
Issued for finders	541,146	0.25	100,332	July 28, 2022
Warrants exercised	(4,600,000)	0.15	(150,422)	
Warrants expired	(300,000)	0.15		
Outstanding at April 30, 2021	**1,115,188**	**0.15**		
Issued for finders	172,898	0.40	11,319	June 22, 2022
Issued for private placement	4,333,967	0.40	269,828	June 22, 2022
Outstnding at July 31, 2021	**5,622,053**	**0.36**		

The Company uses the Black-Scholes option pricing model to estimate the fair value of the finder's warrants. The expected volatility assumption inherent in the pricing model is based on the historical volatility of the Company's stock over a term equal to the expected term of the finder's warrants issued. The weighted average assumptions used in this pricing model, and the resulting weighted average fair values per finder's warrant for the finder's warrants issued for the period ended July 31, 2021 and 2020 were as follows:

	2021	2020
Risk-free rate:	0.42%	0.26%
Expected life:	2 year	2 years
Expected volatility:	103.62%	121.52%
Expected dividends:	Nil	Nil
Weighted average fair value per warrant:	$0.36	$0.19

(Expressed in Canadian Dollars)

2) Stock Options

The Company has an incentive Stock Option Plan ("the Plan") under which non-transferable options to purchase common shares of the Company may be granted to directors, officers, employees or service providers of the Company. The terms of the Plan provide that the Directors have the right to grant options to acquire common shares of the Company at not less than the closing market price of the shares on the day preceding the grant at terms of up to five years. No amounts are paid or payable by the recipient on receipt of the option, and the options granted are not dependent on any performance-based criteria.

As at July 31, 2021, the Company granted total of 1,270,000 incentive stock options (1,150,000 options granted in the same period of 2020) to its employees, directors and consultants with a weighted average exercise price of $0.17 for a five-year period, from the date of grant, in accordance with the terms of the Company's stock option plan.

The total stock-based compensation expense for the three months period ended July 31, 2021 was $8,113 (2020: $71,039).

As at July, 2021, the Company had 1,270,000 outstanding options (1,150,000 in 2020) as follows:

	Stock Options	Weighted average exercise price
Outstanding at May 01, 2020	-	-
Granted	1,270,000	0.17
Outstanding at April 30, 2021	**1,270,000**	**0.17**
Granted	-	
Outstanding at July 31, 2021	**1,270,000**	**0.17**

Exercise price	Number outstanding	Fair Value	Weighted-average remaining contractual life (years)	Number exercisable
$0.15	1,000,000	$135,160	3.84	1,000,000
$0.29	150,000	44,447	4.00	50,000
$0.21	120,000	20,254	4.19	40,000
Outstanding at July 31, 2021	1,270,000	$199,860	3.89	1,090,000

The Company uses the Black-Scholes option pricing model to estimate the fair value for all stock-based compensation. The expected volatility assumption inherent in the pricing model is based on the historical volatility of the Company's stock over a term equal to the expected term of the option granted. The weighted average assumptions used in this pricing model, and the resulting weighted average fair values per option for the options granted in the period ended July 31, 2021 were as follows:

Risk-free rate:	0.31% to 0.39%
Expected life:	5 years
Expected volatility:	109% to 122%
Expected dividends:	Nil

(Expressed in Canadian Dollars)

Weighted average fair value per option: $0.17

7. RELATED PARTY TRANSACTIONS

1) The Company's related parties include key management personnel and directors and any transactions with such parties for goods and/or services are made on regular commercial terms and are considered to be at arm's length. Key management are those personnel having the authority and responsibility for planning, directing, and controlling the Company and comprise the Chief Executive Officer, Chief Financial Officer and Vice-President, Exploration of the Company.

The Company incurred the following transaction with key management personnel for the periods ended July 31, 2021 and same period in 2020:

	Three months ended July 31, 2021	Three months ended July 31, 2020
Salaries and benefits	$61,523	$81,574
Salaries included in exploration costs	64,300	13,417
Stock-based compensation	8,113	71,039
	$133,936	$166,030

During the period from incorporation on June 7, 2019 to July 31, 2020, key management personnel of the Company contributed mineral property assets to the Company (Note 3) for a total fair value of $20,000 ($10,000 each) with the allocation of $12,000 in exchange for Aldridge 1 and $8,000 in exchange for Aldridge 2.

2) In connection with the mineral property assets to the Company (Note 3), 2 directors shall retain and be entitled to a royalty (the "Royalty") entitling 2 directors to 0.5% each (total of 1%) of all Net Smelter Returns on the area currently comprising the mineral claims named "JR 1", "JR 2" and "JR 3" (collectively, the "Royalty Area") in accordance with the terms and conditions set out. The Royalty shall constitute an interest in land and will be a covenant running with the Royalty Area.

8. LOSS PER SHARE

The loss per share for the three months periods ended July 21, 2021 and July 31, 2020 are as follow:

		Three months ended July 31, 2021		**Three months ended July 31, 2020**
Loss attributable to ordinary shareholders	$	531,357	$	401,233
Weighted average number of shares outstanding - basic and diluted		69,463,122		50,860,120
Basic and diluted loss per share	**$**	**0.01**	**$**	**0.01**

9. FINANCIAL INSTRUMENT AND RISK MANAGEMENT

Risk Management

The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance.

Fair value

The Company's consolidated financial instruments include cash and trade and other payables. *IFRS 7 Financial Instruments: Disclosures* ("IFRS 7") establishes a fair value hierarchy for financial instruments measured at fair value that reflects the significance of inputs in making fair value measurements as follows:

- Level 1 - applies to assets or liabilities for which there are quoted prices in active markets for identical assets or liabilities.
- 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.
- Level 3 - applies to assets or liabilities for which there are unobservable market data.

The recorded amounts of cash and trade and other payables approximate their respective fair values due to their short-term nature.

Credit risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist primarily of cash. The Company limits its exposure to credit loss by placing its cash in a major Canadian bank. The carrying amount of financial assets represents the maximum credit exposure.

Interest rate risk

Interest rate risk is the risk that the fair value or cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's operating cash flows are substantially independent of changes in market interest rates. The Company has not used any financial instrument to hedge potential fluctuations in interest rates. The Company does not have any exposure to interest rates.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The key to success in managing liquidity is the degree of certainty in the cash flow projections. If future cash flows are fairly uncertain, the liquidity risk increases.

The Company monitors its risk of shortage of funds by monitoring the maturity dates of existing other liabilities. Most of the Company's financial liabilities are due within one year.

10. CAPITAL MANAGEMENT

The Company monitors its cash and common shares as capital. The Company's objectives when maintaining capital are to maintain sufficient capital base in order to meet its short-term obligations. The Company is not exposed to any externally imposed capital requirements.

11. SUBSEQUENT EVENTS

On August 10, 2021, the Company completed a private placement via the issuance of 1,000,001 FT Shares at a price of $0.30 per FT Share for gross proceeds of $300,000. In connection with the private placement, the Company paid a cash finder's fee of $9,485 and issued 31,617 finder's warrants. Each finder's warrant is exercisable into one non-FT common share at a price of $0.20 per share, and expires 18 months from the grant date.