Condensed Interim Financial Statements
(Expressed in Canadian dollars)

VENDETTA MINING CORP.

Nine months ended February 28, 2022 and 2021

(Unaudited – prepared by management)

NOTICE OF NO AUDITOR REVIEW OF
CONDENSED INTERIM FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim financial statements, they must be accompanied by a notice indicating that these condensed interim financial statements have not been reviewed by the Company's auditors.

The accompanying unaudited condensed interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

VENDETTA MINING CORP.

Condensed Interim Statement of Financial Position
(Unaudited - expressed in Canadian dollars)

As at		February 28, 2022		May 31, 2021
Assets				
Current assets:				
Cash	$	52,956	$	253,384
Receivables		95,862		41,768
Prepaid expenses and advances (Note 4)		8,627		3,784
		157,445		298,936
Equipment (Note 5)		844		1,088
Exploration and evaluation assets (Note 6)		6,011,183		6,011,183
	$	**6,169,472**	**$**	**6,311,207**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (Note 11)	$	722,837	$	592,696
Current portion of long-term debt (Note 7)		2,255,147		2,384,884
Loans from related parties (Note 11)		-		208,855
		2,977,984		3,186,435
Shareholders' equity:				
Share capital (Note 9)		21,884,159		20,721,129
Obligation to issue shares (Note 9)		216,000		216,000
Subscriptions received in advance (Notes 9)		6,000		-
Subscriptions receivable (Note 9)		-		(86,600)
Reserves (Note 9)		1,606,242		1,553,167
Deficit		(20,520,913)		(19,278,924)
		3,191,488		3,124,772
	$	**6,169,472**	**$**	**6,311,207**

Nature of operations and going concern (Note 1)
Subsequent event (Note 13)

Approved on behalf of the Board:

"Michael J. Williams" Director

"Peter Voulgaris" Director

The accompanying notes are an integral part of these Condensed Interim Financial Statements.

VENDETTA MINING CORP.

Condensed Interim Statement of Loss and Comprehensive Loss
(Unaudited - expressed in Canadian dollars)

	Three months ended		Nine months ended	
	Feb 28, 2022	**Feb 28, 2021**	**Feb 28, 2022**	**Feb 28, 2021**
Expenses:				
Accounting and legal (Note 11)	$ 27,865	$ 13,934	$ 60,972	$ 60,846
Amortization (Note 5)	80	115	244	349
Business development	18,469	2,675	46,688	8,025
Exploration expenditures (Note 6 and 11)	8,091	55,571	545,767	526,085
Filing and transfer agent fees	7,039	14,317	13,027	34,691
Financing costs (Note 7)	70,206	54,829	220,633	185,421
Foreign exchange (recovery)	(11,902)	(62,687)	133,728	(230,520)
Insurance	4,545	2,875	13,637	8,625
Investor relations	15,798	5,041	88,467	70,170
Management fees (Note 11)	19,875	19,875	59,625	59,625
Office and administration (Note 11)	21,379	21,986	67,001	71,246
Travel and meals	1,462	-	5,931	1,080
	(182,907)	(128,531)	(1,255,720)	(795,643)
Gain on shares for debt (Note 9)	-	-	13,731	-
Loss and comprehensive loss for the period	$ (182,907)	$ (128,531)	$ (1,241,989)	$ (795,643)
Loss per share – basic and diluted	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.00)
Weighted average number of shares outstanding	244,405,296	209,709,987	234,020,628	199,431,425

The accompanying notes are an integral part of these Condensed Interim Financial Statements.

VENDETTA MINING CORP.

Condensed Interim Statement of Changes in Shareholders' Equity
(Unaudited - expressed in Canadian dollars)

	Share Capital					Reserves			
	Shares	Amount	Obligation to issue shares	Share subscriptions received	Share subscription receivable	Share option reserves	Warrant and other reserves	Deficit	Total Equity
May 31, 2020	188,228,494	$ 18,954,522	$ 216,000	$ 5,000	$ (20,000)	$ 1,383,296	$ 169,871	$ (18,630,074)	$ 2,078,615
Private placement	31,843,006	1,784,058	-	(5,000)	(403,100)	-	-	-	1,375,958
Warrants exercised	900,000	54,000	-	-	-	-	-	-	54,000
Share issuance costs	-	(22,744)	-	-	-	-	-	-	(22,744)
Loss for the period	-	-	-	-	-	-	-	(795,643)	(795,643)
February 28, 2021	220,971,500	20,769,836	216,000	-	(423,100)	1,383,296	169,871	(19,425,717)	2,690,186
Private placement	-	-	-	-	336,500	-	-	-	336,500
Warrants exercised	-	-	-	-	-	-	-	-	-
Share issuance costs	-	(48,707)	-	-	-	-	-	-	(48,707)
Loss for the period	-	-	-	-	-	-	-	146,793	146,793
May 31, 2021	220,971,500	20,721,129	216,000	-	(86,600)	1,383,296	169,871	(19,278,924)	3,124,772
Private placement	24,019,985	1,175,197	-	-	-	-	53,075	-	1,228,272
Shares for debt	686,538	30,894	-	-	-	-	-	-	30,894
Share issuance costs	-	(43,061)	-	-	-	-	-	-	(43,061)
Shares subscriptions received	-	-	-	-	86,600	-	-	-	86,600
Share subscriptions received in advance	-	-	-	6,000	-	-	-	-	6,000
Loss for the period	-	-	-	-	-	-	-	(1,241,989)	(1,241,989)
February 28, 2022	245,678,023	$ 21,884,159	$ 216,000	$ 6,000	$ -	$ 1,383,296	$ 222,946	$ (20,520,913)	$ 3,191,488

The accompanying notes are an integral part of these Condensed Interim Financial Statements.

VENDETTA MINING CORP.

Condensed Interim Statement of Cash Flows
(Unaudited - expressed in Canadian dollars)

For the nine months ended		February 28, 2022		February 28, 2021
Cash flows from operating activities:				
Loss for the period	$	(1,241,989)	$	(795,643)
Items not affected by cash:				
Amortization		244		349
Financing costs		217,164		185,421
Foreign exchange		133,094		(228,213)
Interest recognized on related party loan		3,685		-
Changes in non-cash working capital items:				
Receivables		(54,094)		(34,008)
Prepaid expenses and advances		(4,843)		(15,512)
Accounts payable and accrued liabilities		137,523		385,639
Cash used in operating activities		(809,216)		(501,967)
Cash flows from financing activities				
Loan repayment to related parties		(212,540)		-
Payments towards long-term debt		(479,995)		(854,310)
Private placement proceeds received		1,314,872		1,375,958
Subscriptions received in advance		6,000		-
Warrants exercised		-		54,000
Share issuance costs		(19,549)		(22,744)
Cash provided by financing activities		608,788		552,904
Change in cash		(200,428)		50,937
Cash, beginning of the period		253,384		157,286
Cash, end of the period	$	52,956	$	208,223
Supplemental schedule of non-cash items				
Transaction costs on long-term debt in accounts payable	$	-	$	60,354
Share issuance costs in accounts payable	$	46,997	$	23,485
Share for debt	$	30,894	$	-

There was no cash paid for income taxes for the periods presented. For the nine months ended February 28, 2022, the Company paid $220,511 (2021 - $206,895) in interest payments.

The accompanying notes are an integral part of these Condensed Interim Financial Statements.

1. Nature of operations and going concern:,

Vendetta Mining Corp. ("the Company" or "Vendetta") was incorporated pursuant to the provisions of the Business Corporations Act (British Columbia) on December 14, 2009. The Company is in the business of exploration and evaluation of mineral resources in Australia. Its common shares trade on the TSX Venture Exchange ("TSX-V") under the symbol VTT. The Company's registered address is: Suite 1500 – 409 Granville Street, Vancouver, British Columbia, V6C 1T2.

The Company is an exploration stage company and engages principally in the acquisition and exploration of resource properties. The recoverability of the amounts shown for exploration and evaluation assets is ultimately dependent upon the existence of economically recoverable reserves, securing and maintaining title and beneficial interest in the properties, obtaining necessary financing to explore and develop the properties, entering into agreements with others to explore and develop the resource properties, and upon future profitable production or proceeds from disposition of the resource properties. The amounts shown as exploration and evaluation assets represent net costs incurred to date, less amounts recovered from third parties and/or written-off, and do not necessarily represent present or future values.

These Condensed Interim Financial Statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and settle its obligations in the normal course of business.

The Company has a history of losses with no operating revenue, other than interest income, working capital deficiency of $2,820,539, and has an accumulated deficit. The ability of the Company to carry out its planned business objectives is dependent on its ability to raise adequate financing from lenders, shareholders and other investors and/or generate operating profitability and positive cash flow. There can be no assurances that the Company will continue to obtain additional financial resources necessary and/or achieve profitability or positive cash flows. If the Company is unable to obtain adequate additional financing, the Company will be required to curtail operations, exploration and evaluation activities and there would be significant uncertainty whether the Company would continue as a going concern and realize its assets and settle its liabilities and commitments in the normal course of business. The Company estimates that it does not have sufficient funding for the ensuing 12 months of operations. The Company has a secured loan (Note 7) repayable within 12 months of this reporting date. The Company is currently in violation of certain working capital and capital raise covenants. These matters indicate the existence of material uncertainties that raise substantial doubt about the Company's ability to continue as a going concern.

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

These Condensed Interim Financial Statements do not reflect adjustments, which could be material, to the carrying values of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

2. Significant accounting policies:

(a) Basis of presentation:

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounts Standards ("IAS") 34, "Interim Financial Reporting" using accounting policies consistent with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board and Interpretations issued by the International Financial Reporting Interpretations Committee ("IFRIC"). The accounting policies and methods of computation applied are the same as those applied in the Company's annual financial statements for the year ended May 31, 2021.

Unless otherwise stated, amounts are expressed in Canadian dollars.

These condensed interim financial statements were authorized for issuance by the Board of Directors on April 25, 2022.

(b) Foreign currency transactions:

The presentation currency and functional currency of the Company is the Canadian dollar. Transactions of the Company denominated in other currencies are translated into the relevant functional currency using the exchange rates prevailing at the transaction date. Carrying values of monetary assets and liabilities denominated in foreign currencies are adjusted at each balance sheet date to reflect exchange rates prevailing at that date and the related foreign exchange gains or losses are recognized in profit or loss.

3. Use of estimates and judgments:

The preparation of the financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Share-based payments

The Company has granted certain employees of the Company PSU's to be settled in shares of the Company. The fair value of the estimated number of PSUs that will eventually vest, determined at the date of grant, is recognized as share-based payment expense over the vesting period, with a corresponding amount recorded as equity. The fair value of the PSUs is estimated using the market value of the underlying shares as well as assumptions related to the performance conditions at the grant date.

(Unaudited - expressed in Canadian dollars)

3. Use of estimates and judgments (continued):

Derivative liability

The Company has an obligation under the Nebari Loan (Note 7) that is valued relative to the Company's share price and has measured such obligation as a derivative liability in reference to the Company's share price.

Critical accounting judgments

Examples of significant judgments, apart from those involving estimation, include:

Exploration and evaluation assets

The recognition of exploration and evaluation assets requires judgments regarding future recoverability and carrying cost. The cost model is utilized and the value of the exploration and evaluation assets is based on the acquisition expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

Functional currency

The Company applied judgment in determining its functional currency. The functional currency determination was conducted through an analysis of the consideration factors identified in IAS 21, The Effects of Changes in Foreign Exchange Rates.

4. Prepaid expenses and advances:

Included in prepaid expenses and advances are:

		February 28, 2022		**May 31, 2021**
Prepaid expenses	$	4,843	$	3,784
Exploration advances		-		-
	$	**4,843**	**$**	**3,784**

5. Equipment:

		Computer Equipment
Cost May 31, 2020, May 31 2021, and February 28, 2022	$	4,953
Accumulated amortization, May 31, 2020	$	(3,398)
Amortization for the year		(467)
Accumulated amortization, May 31, 2021		(3,865)
Amortization for the period		(244)
Accumulated amortization, February 28, 2022		(4,109)
Net book value, May 31,2021	$	1,088
Net book value, February 28, 2022	$	844

(Unaudited - expressed in Canadian dollars)

6. Exploration and evaluation assets:

The Company's resource property with associated acquisition-related costs that has been capitalized and reflected on the statement of financial position is as follows:

	Pegmont Queensland, Australia
Balance, May 31, 2020, May 31, 2021, and February 28, 2022	$ 6,011,183

Pegmont Property, Queensland, Australia

As at May 31, 2019, the Company has earned a 100% interest in the Pegmont Property having paid option payments of AUD$2,250,000 (CAD$2,208,980), met expenditure requirements of $2,400,000, and drilled 17,000m to earn its interest. In connection with the Company exercising the option and as part of the final transfer of project titles, the Company also paid an advance royalty to Pegmont of AUD$3 million (CAD$2,824,200) and extension fees totaling AUD$450,000 (CAD$425,545) during the year ended May 31, 2019 to fully satisfy remaining requirements and complete its 100% acquisition of the Pegmont property. The Company received a royalty credit of the cash option payments of AUD$2.25 million and advanced royalty of AUD$3 million for a total of AUD$5.25 million, to be credited against future royalty payments.

The property is subject to a 1.25% net smelter return royalty, subject to the credit of AUD$5.0 million in favour of the Company. In the case where ore is sold rather than concentrate, a separate royalty formula allows for a royalty of AUD$1.05 per tonne of ore sold, indexed to lead prices and to be conveyed to the vendor, again subject to the AUD$5.0 million credit. Where ore that is sold contains silver at concentrations above 64 ppm, an additional royalty amount is payable, starting at AUD$0.06 per gram, indexed to the price of silver. Subsequent to May 31, 2021, the Company had not met annual expenditure requirements on its mining lease by the renewal anniversary date which was remedied subsequently.

Killer Bore Property, Queensland, Australia

During the period ended February 28, 2022, the Company entered into an option agreement to acquire 100% of the Killer Bore exploration concession in Australia, consisting of two non-contiguous blocks and located 5km from its Pegmont Property. Pursuant to the terms of the agreement, the Company may acquire a 100% interest in the property by making the following minimum work commitments:

a) $102,000 on exploration expenditures prior to the end of the 2nd anniversary; and

b) $398,000 on exploration expenditure between the start of the 3rd anniversary and prior to the end of the 5th Anniversary;

The Company shall grant the optionor a 2% NSR over the property.

As at February 28, 2022, the Company had not incurred any exploration activity on the Killer Bore project.

(Unaudited - expressed in Canadian dollars)

6. Exploration and evaluation assets (continued):

Exploration expenditures are as follows:

	Nine months ended February 28, 2022	February 28, 2021
Analysis	$ 12,685	$ 1,354
Drilling	290,505	245,440
Field supplies and equipment	15,086	20,323
Geological consulting	131,331	163,820
Maps and reports	-	11,008
Meals and accommodation	29,001	21,161
Permitting	33,596	11,829
Project management	14,012	37,796
Transportation	19,551	13,354
Total for the period	$ 545,767	$ 526,085

7. Long-term debt:

On May 9, 2019, the Company entered into a US$2,556,818 loan agreement (“Nebari Loan”), subsequently amended with Nebari Natural Resources Credit Fund I, LP (“Nebari”). The amount funded was US$2,250,000 (CAD$3,032,100), representing an original issue discount of 12%. The Nebari Loan bears an interest rate of the three-month London interbank offered rate (“LIBOR”) plus 6.0% per annum, with a LIBOR “floor” of 2.5%, and was to mature on May 6, 2021. Principal repayments commenced on April 30, 2020 and each anniversary thereafter, at 6.25% of the principal outstanding at April 30, 2020, including all interest paid in-kind and original issue discount, and is payable at any amount from 50% to 100% of the amount due, at the Company’s discretion; any remaining unpaid interest will be capitalized and added to the principal amount of the loan, payable upon maturity. Interest will accrue monthly, computed on the basis of a 360-day year, and is payable quarterly in arrears beginning on September 30, 2019; pursuant to the August 2019 amended agreement, interest accrued to September 30, 2019 that originally could be paid in-kind is now required to be paid in cash.

During the year ended May 31, 2021, the Company entered into an amending agreement whereby the maturity of the loan was extended to December 31, 2022 and the quarterly interest rate was increased to 9.5% plus 3-month LIBOR, with a floor of 2.5%. Pursuant to the agreement, all principal repayments are to be deferred until December 31, 2021 at which point quarterly principal payments will commence at US$200,000 per quarter.

Should the Company complete a listing on an exchange other than the TSX-V, Nebari shall have the right to convert the debt and accrued interest into common shares of the Company at a conversion of 120% of the listing price, after a black-out period of four months from the date of listing. No value has been attributed to this contingent conversion feature.

(Unaudited - expressed in Canadian dollars)

7. Long-term debt (continued):

Upon maturity and full repayment of the loan, a repayment bonus is payable to Nebari, to be calculated, pursuant to the amended agreement, as 30% of the funded amount, multiplied by the ratio of the Company's market capitalization the day prior to repayment divided by the Company's capitalization on May 6, 2019, minus one (the "Repayment Bonus"). At the closing date of the Nebari Loan, the Company recognized a Repayment Bonus of US$67,500 ($90,963), which has been classified as a derivative liability (Note 8). During the year ended May 31, 2021, the Company entered into an amending agreement whereby the repayment bonus ratio is now based on the Company's market capitalization the day prior to repayment divided by $13,000,000. As at February 28, 2022, the amendment to the repayment bonus has not resulted in a change to the Company's derivative liability recognized of $nil.

In connection with the Nebari Loan, the Company paid transaction costs of $340,861, comprising a closing fee of 3.0% of the funded amount (US$67,500 or CAD$90,823), technical and other due diligence costs of US$130,000 (CAD$174,919), and other transaction costs of $74,979. The Repayment Bonus and transaction costs are being amortized into profit or loss over the estimated term of the Nebari Loan, being the legal term, at an effective interest rate of 23.52% (2020 – 23.52%).

The Nebari Loan is subject to standard events of default, as well as a requirement to maintain, as amended in during the year ended May 31, 2021, at the end of each calendar month, an adjusted working capital (defined per the amendment as: current assets minus current liabilities, plus the current portion of long-term debt) of no less than $400,000. The Company is currently in violation of its working capital and capital raise covenants and is working with Nebari to address its working capital provisions. The Company's loan is subject to a security agreement, whereby the loan is secured by a first priority lien on and security interest in the Company's existing and future tangible and intangible assets, working capital assets, and stock of any subsidiaries. Subsequent to the period ended February 28, 2022, the Company settled its debt with Nebari in full (Note 13).

During the period ended February 28, 2022, the Company paid $220,511 (US$172,329) in interest payments and $259,484 (US$200,000) in principal repayments. During the year ended May 31, 2021, the Company paid $261,272 (US$191,184) in interest and $647,415 (US$485,433) in principal repayments.

		February 28, 2022		May 31, 2021
Opening Balance	$	2,384,884	$	3,395,498
Principal payment		(259,484)		(647,415)
Interest payment		(220,511)		(261,272)
Interest accrued		217,164		244,986
Foreign exchange		133,094		(346,913)
Ending Balance	$	2,255,147	$	2,384,884
Current portion	$	2,255,147	$	2,384,884
Long-term portion	$	-	$	-

8. Derivative liability:

In accordance with IFRS, as the measurement of the Repayment Bonus pursuant to the Nebari Loan (Note 7) is dependent on the Company's future market capitalization, Company has recognized a derivative liability, which was designated as a financial liability carried at fair value through profit or loss. On May 7, 2019, the derivative liability was determined to be $90,963 (US$67,500). As at February 28, 2022 and May 31, 2021, the derivative liability had a fair value of $nil.

9. Share capital:

(a) Authorized:

Unlimited common shares without par value.

(b) Share issuances:

2022 transactions

a) On June 2, 2021, the Company settled an aggregate of $44,625 in accounts payable and accrued liabilities through the issuance of 686,538 common shares of the Company valued at $30,894. In connection with the issuance, the Company recognized a gain on settlement of $13,731;

b) On August 26, 2021, the Company closed the first tranche of a non-brokered private placement by issuing 10,615,000 units at a price of $0.05 per unit for gross proceeds of $530,750. Each unit is comprised of one common share and one half of one common share purchase warrant, exercisable for three years at a price of $0.07 per share. Using the residual value method, $477,675 of the financing was allocated to share capital with the remaining $53,075 allocated to reserves for the warrants. The Company paid finders fees of $14,765 and incurred additional closing costs of $3,353 in connection with the financing.

c) On October 22, 2021, the Company closed the second tranche of a non-brokered private placement by issuing 7,950,440 units at a price of $0.05 per unit for gross proceeds of $397,522. Each unit is comprised of one common share and one half of one common share purchase warrant, exercisable for three years at a price of $0.07 per share. The Company paid finders fees of $7,175 and incurred additional closing costs of $4,388 in connection with the financing.

d) On December 21, 2021, the Company closed the first tranche of a non-brokered private placement by issuing 5,454,545 common shares at a price of $0.055 per common share for gross proceeds of $300,000. In connection with the financing, the Company incurred closing costs of $13,380.

2021 transactions

a) On July 2, 2020 the Company closed a non-brokered private placement by issuing 6,326,138 units at a price of $0.04 per unit for gross proceeds of $253,046, of which, $5,000 had been received as at May 31, 2020. Each unit was comprised of one common share and one common share purchase warrant, exercisable at a price of $0.06 for a period of three years. The Company paid finders' fees of $5,040 in connection with the offering and incurred additional closing costs of $9,359.

(Unaudited - expressed in Canadian dollars)

9. Share capital (continued):

(b) Share issuances (continued):

b) On November 16, 2020 the Company closed the first tranche of a non-brokered private placement by issuing 9,583,328 units at a price of $0.06 per unit for gross proceeds of $575,000. Each unit was comprised of one common share and one-half of one common share purchase warrant, with each whole warrant exercisable at a price of $0.09 for a period of three years. The Company paid finders' fees of $728 in connection with the offering and incurred additional closing costs of $9,266.

c) On December 14, 2020, the Company closed the second tranche of a non-brokered private placement by issuing 5,500,207 units at a price of $0.06 per unit for gross proceeds of $330,012. Each unit was comprised of one common share and one half of one common share purchase warrant, with each whole warrant exercisable at a price of $0.09 for a period of three years. The Company paid finders' fees of $12,599 in connection with the offering and incurred additional closing costs of $7,043.

d) On February 23, 2021, the Company closed the third and final tranche of a non-brokered private placement by issuing 10,433,333 units at a price of $0.06 per unit for gross proceeds of $626,000. Each unit was comprised of one common share and one half of one common share purchase warrant, with each whole warrant exercisable at a price of $0.09 for a period of three years. The Company incurred closing costs of $27,418 in connection with the offering.

(c) Warrants:

Details of activity in warrants for the nine months ended February 28, 2022 and the year ended May 31, 2021 are as follows:

Number outstanding May 31, 2021	Granted	Exercised	Expired/ Cancelled	Number outstanding Feb 28, 2022	Exercise price per share	Expiry date
2,886,250	-	-	-	2,886,250	0.13	June 3, 2022
11,533,332	-	-	-	11,533,332	0.13	July 30, 2022
13,187,050	-	-	-	13,187,050	0.06	May 5, 2023
6,201,138	-	-	-	6,201,138	0.06	June 30, 2023
4,791,668	-	-	-	4,791,668	0.09	Nov 16, 2023
2,750,104	-	-	-	2,750,104	0.09	Dec 14, 2023
5,216,667	-	-	-	5,216,667	0.06	Feb 23, 2024
-	5,307,500	-	-	5,307,500	0.07	Aug 26, 2024
-	3,975,220	-	-	3,975,220	0.07	Oct 22, 2024
46,566,209	9,282,720	-	-	55,848,929		
$0.09	$0.07	-	-	$0.08	(weighted average exercise price)	

(Unaudited - expressed in Canadian dollars)

9. Share capital (continued):

(c) Warrants (continued):

Number outstanding May 31, 2020	Granted	Exercised	Expired/ Cancelled	Number outstanding May 31, 2021	Exercise price per share	Expiry date
4,864,444	-	-	(4,864,444)	-	$ 0.30	Sept 20, 2020
1,185,116	-	-	(1,185,116)	-	0.30	Oct 17, 2020
2,886,250	-	-	-	2,886,250	0.13	June 3, 2022
11,533,332	-	-	-	11,533,332	0.13	July 30, 2022
13,962,050	-	(775,000)	-	13,187,050	0.06	May 5, 2023
-	6,326,138	(125,000)	-	6,201,138	0.06	June 30, 2023
-	4,791,668	-	-	4,791,668	0.09	Nov 16, 2023
-	2,750,104	-	-	2,750,104	0.09	Dec 14, 2023
-	5,216,667	-	-	5,216,667	0.09	Feb 23, 2024
34,431,192	19,084,577	(900,000)	(6,049,560)	46,566,209		
$0.13	$0.08	$0.06	$0.30	$0.09	(weighted average exercise price)	

The Company has a stock option plan, which authorizes the Board of Directors to grant options to directors, officers, employees and consultants to acquire up to 10% of the issued and outstanding common shares of the Company. Under the plan, the exercise price of each option may not be less than market price of the Company's stock calculated on the date of the grant less the applicable discount. The options can be granted for a maximum term of 10 years. The Company's stock option plan contains no vesting requirements but permits the board of directors to specify a vesting schedule in its discretion. During the year ended May 31, 2020, the Company cancelled all outstanding options unexercised.

There was no stock option activity during the period ended February 28, 2022. Details of activity in share purchase options for the year ended May 31, 2021 are as follows:

Number outstanding May 31, 2020	Granted	Exercised	Expired/ Cancelled	Number outstanding May 31, 2021	Number exercisable	Exercise price per share	Expiry date
5,075,000	-	-	(5,075,000)	-	0.15		Dec 15, 2021
4,850,000	-	-	(4,850,000)	-	0.30		Oct 17, 2022
9,925,000	-	-	(9,925,000)	-	-		
$0.22	-	-	$0.22	-	-	(weighted average exercise price)	

The fair values of the stock options used to calculate compensation expense for both employees and non-employees for the options granted is estimated using the Black-Scholes pricing model. The weighted average fair value per option granted during the nine months ended February 28, 2022 was $nil (2022 – $nil). During the nine months ended February 28, 2022, the Company recognized $nil (2021 - $nil) in share-based payments for the fair value of the vesting portion of the stock options that were granted in current and prior periods.

(e) Performance share units:

During the year ended May 31, 2018, the Company granted 2,700,000 PSU's to the Company's directors. The PSU represent the right to receive common shares of the Company upon vesting of the PSU based on performance milestones approved by the Board of Directors related to the Company's development of its Pegmont property. The PSU's expired on May 10, 2020.

(Unaudited - expressed in Canadian dollars)

9. Share capital (continued):

(e) Performance share units (continued):

	PSU
Balance outstanding, May 31, 2020	-
Granted	-
Expired or vested	-
Balance outstanding, May 31, 2021 and February 28, 2022	-
Balance exercisable, May 31, 2021 and February 28, 2022	-

As the performance conditions of the PSU's granted were not market-related, the fair value per PSU used to calculate compensation expense for the PSU's granted is determined to be $0.20, equal to the market price on the date of grant. During the year ended May 31, 2020, the Company recognized a recovery of $104,220 in share-based payments for the fair value of the vesting (forfeiture) portion of the PSU's that were granted in prior periods.

10. Segmented information:

The Company's business consists of one reportable segment being resource exploration. Details about geographic areas as at February 28, 2022 and May 31, 2021 are as follows:

Non-current assets	February 28, 2022	May 31, 2021
Australia	$ 6,011,183	$ 6,011,183
Total	$ 6,011,183	$ 6,011,183

11. Related party transactions:

Key management personnel consist of directors and senior management including the President and Chief Executive Officer, Chief Financial Officer, and Corporate Secretary.

The Company paid or accrued the following amounts to key management personnel or companies controlled by them:

	Nine months ended February 28, 2022	February 28, 2021
Management fees, consulting fees, and accounting fees to key management personnel or companies controlled by key management personnel	$ 104,625	$ 102,125
Geological consulting fees to a company controlled by a director	45,000	75,000
Office, administration, rent and accounting costs to companies controlled by key management	27,387	29,851
	$ 177,012	$ 206,976

11. Related party transactions (continued):

During the year ended May 31, 2019, the Company borrowed $182,000 from a company with an officer and director in common. The loan bears interest at 7% per annum and matures on May 31, 2021 (amended from 12 months during the year ended May 31, 2020); the lender retains the right to demand early payment of the loan by providing 30 days written notice. The balance at May 31, 2021, including interest, was $208,855. During the period ended February 28, 2022, the Company recognized interest expense of $3,685 and repaid the entire balance of $212,540 inclusive of principal and interest.

Included in accounts payable and accrued liabilities is $311,152 (May 31, 2021 - $234,865) due to directors, management, or companies controlled by them and former related parties. Amounts due to related parties are unsecured, have no fixed terms of repayment, and are non-interest bearing.

12. Financial instruments:

The Company's cash is classified at amortized cost. The carrying values of receivables, accounts payable and accrued liabilities, and loans from related parties approximate their fair values due to their short terms to maturity. The Company's derivative liability is classified as Level 2 of the fair value hierarchy. Long-term debt bears interest at variable rates and fair value approximates carrying values as interest charges fluctuate with changes in the LIBOR.

(a) Financial risk factors and capital management:

Credit risk

Credit risk arises from the possibility that counterparties may be unable to fulfill their commitments to the Company. The Company's credit risk is primarily attributable to its cash and receivables. The carrying value of this instrument represents the Company's maximum exposure to credit risk. The Company manages and limits exposure to credit risk by maintaining its cash with high-credit quality financial institutions. The Company does not have financial assets that are invested in asset backed commercial paper. Receivables are primarily due from a government agency.

Liquidity risk

Liquidity risk is the risk that the Company cannot meet its financial obligations associated with financial liabilities in full. The Company manages liquidity risk through the management of its capital structure, as outlined in Note 12(b) of these condensed interim financial statements. The Company's expenditure commitments, pursuant to option agreements related to resource properties, are disclosed in Note 6 and the Company is in default of its loan covenants (Note 7). The Company is exposed to liquidity risk.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates.

The Company does not have any significant interest-bearing financial assets.

The Company's Nebari Loan (Note 7) is interest-bearing debt at a variable rate. A 10% change in the LIBOR would result in an increase of up to $2,177 in the net loss realized for the period. Changes to the LIBOR could have a more substantial impact in the future.

12. Financial instruments (continued):

(a) Financial risk factors and capital management (continued):

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company's functional and presentation currency is the Canadian dollar. The Company incurs foreign currency risk on purchases that are denominated in a currency other than the functional currency of the Company, which will have an impact on the profitability of the Company and may also affect the value of the Company's assets, liabilities and the amount of shareholders' equity. The Company's main risks are associated with fluctuations in the Australian dollar due to transactions related to the Pegmont project, as well as the Nebari Loan (Note 7) which is denominated in US dollars.

Foreign assets and liabilities are translated based on the foreign currency translation method described in Note 2(b). A 10% change in the foreign exchange rate between the Canadian and U.S. and Australian dollar would result in a fluctuation of approximately $256,000 in the net loss realized for the period, including $250,000 on the Nebari Loan. The Company does not enter into any foreign exchange hedging contracts.

(b) Capital management:

The Company's objectives of capital management are intended to safeguard the Company's ability to support the Company's exploration and evaluation of its resource properties and support any expansion plans. The capital of the Company consists of the items included in shareholders' equity.

The Company manages the capital structure and makes adjustments in light of changes in economic conditions and the risk characteristics of the Company's underlying assets. To effectively manage the entity's capital requirements, the Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its financial objectives. The Company may issue new shares or seek debt financing to ensure that there is sufficient working capital to meet its short-term business requirements. Pursuant to the Nebari Loan April 2021 amendment (Note 7), the Company must maintain, maintain, at the end of each calendar month, an adjusted working capital (defined per the amendment as: current assets minus current liabilities, plus the current portion of long-term debt) of no less than $400,000.

13. Subsequent events:

Subsequent to the period ended February 28, 2022, the Company:

a) closed the second tranche of a private placement by issuing 54,206,060 common shares at a price of $0.0825 per common share for gross proceeds of $4,472,000; and

b) repaid it's long-term debt (note 7) with a balance of US$ 1,806,492 at the time of repayment.