Condensed Interim Financial Statements
(Expressed in Canadian dollars)

VENDETTA MINING CORP.

Nine months ended February 28, 2023 and 2022

(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, 2023		May 31, 2022
Assets				
Current assets:				
Cash	$	459,644	$	1,516,800
Receivables		12,085		107,616
Prepaid expenses and advances (Note 4)		24,432		20,969
		496,161		1,645,385
Equipment (Note 5)		590		761
Exploration and evaluation assets (Note 6)		6,011,183		6,011,183
	$	**6,507,934**	**$**	**7,657,329**
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities (Note 11)	$	410,320	$	444,480
		410,320		444,480
Shareholders' equity:				
Share capital (Note 9)		27,352,202		26,244,968
Obligation to issue shares (Note 9)		-		216,000
Subscriptions received in advance (Notes 9)		6,000		6,000
Reserves (Note 9)		1,606,242		1,606,242
Deficit		(22,866,830)		(20,860,361)
		6,097,614		7,212,849
	$	**6,507,934**	**$**	**7,657,329**

Nature of operations and going concern (Note 1)

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, 2023	**Feb 28, 2022**	**Feb 28, 2023**	**Feb 28, 2022**
Expenses:				
Accounting and legal (Note 11)	$ 27,116	$ 27,865	$ 79,042	$ 60,972
Amortization (Note 5)	56	80	171	244
Business development	9,922	18,469	24,098	46,688
Exploration expenditures (Note 6 and 11)	69,530	8,091	1,330,086	545,767
Filing and transfer agent fees	9,197	7,039	10,174	13,027
Financing costs (Note 7)	2,224	70,206	5,599	220,633
Foreign exchange (recovery)	(752)	(11,902)	8,614	133,728
Insurance	5,043	4,545	15,129	13,637
Investor relations	44,844	15,798	158,678	88,467
Management fees (Note 11)	251,750	19,875	291,500	59,625
Office and administration (Note 11)	13,064	21,379	63,933	67,001
Travel and meals	60,140	1,462	178,590	5,931
	(492,134)	(182,907)	(2,165,614)	(1,255,720)
Recovery on accounts payable	159,145	-	159,145	-
Gain on shares for debt (Note 9)	-	-	-	13,731
Loss and comprehensive loss for the period	$ (332,989)	$ (182,907)	$ (2,006,469)	$ (1,241,989)
Loss per share – basic and diluted	$ (0.00)	$ (0.00)	$ (0.01)	$ (0.01)
Weighted average number of shares outstanding	303,872,968	244,405,296	301,369,210	234,020,628

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, 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
Private placement	54,206,060	4,472,000	-	-	-	-	-	-	4,472,000
Share issuance costs	-	(111,191)	-	-	-	-	-	-	(111,191)
Loss for the period	-	-	-	-	-	-	-	(339,448)	(339,448)
May 31, 2022	299,884,083	26,244,968	216,000	6,000	-	1,383,296	222,946	(20,860,361)	7,212,849
Private placement	18,699,974	934,999	-	-	-	-	-	-	934,999
Obligation to issued shares	1,080,000	216,000	(216,000)	-	-	-	-	-	-
Share issuance costs	-	(43,765)	-	-	-	-	-	-	(43,765)
Loss for the period	-	-	-	-	-	-	-	(2,006,469)	(2,006,469)
February 28, 2023	319,664,057	$ 27,352,202	$ -	$ 6,000	$ -	$ 1,383,296	$ 222,946	$ (22,866,830)	$ 6,097,614

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, 2023		February 28, 2022
Cash flows from operating activities:				
Loss for the period	$	(2,006,469)	$	(1,241,989)
Items not affected by cash:				
Amortization		171		244
Financing costs		-		217,164
Foreign exchange		-		133,094
Interest recognized on related party loan		-		3,685
Recovery of accounts payable		159,145		-
Changes in non-cash working capital items:				
Receivables		95,531		(54,094)
Prepaid expenses and advances		(3,463)		(4,843)
Accounts payable and accrued liabilities		(212,220)		137,523
Cash used in operating activities		(1,967,305)		(809,216)
Cash flows from financing activities				
Loan repayment to related parties		-		(212,540)
Payments towards long-term debt		-		(479,995)
Private placement proceeds received		934,999		1,314,872
Subscriptions received in advance		-		6,000
Share issuance costs		(24,850)		(19,549)
Cash provided by financing activities		910,149		608,788
Change in cash		(1,057,156)		(200,428)
Cash, beginning of the period		1,516,800		253,384
Cash, end of the period	$	459,644	$	52,956
Supplemental schedule of non-cash items				
Obligation to issued shares	$	216,000	$	-
Share issuance costs in accounts payable	$	18,915	$	46,997
Share for debt	$	-	$	30,894

There was no cash paid for income taxes for the periods presented. For the nine months ended February 28, 2023, the Company paid $nil (2022 - $220,511) 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 of $85,841, 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. 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, 2022.

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 10, 2023.

(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):

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, 2023		May 31, 2022
Prepaid expenses	$	19,932	$	20,969
Exploration advances		4,500		-
	$	**24,432**	**$**	**20,969**

5. Equipment:

		Computer Equipment
Cost May 31, 2021, May 31 2022, and February 28, 2023	$	4,953
Accumulated amortization, May 31, 2021	$	(3,865)
Amortization for the year		(327)
Accumulated amortization, May 31, 2022		(4,192)
Amortization for the period		(171)
Accumulated amortization, February 28, 2023		(4,363)
Net book value, May 31,2022	$	761
Net book value, February 28, 2023	$	590

(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, 2021, May 31, 2022, and February 28, 2023	$	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.

Killer Bore Property, Queensland, Australia

During the year ended May 31, 2022, the Company entered into an option agreement to acquire 100% of the Killer Bore exploration concession in Australia, located near 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 (incurred during the period ended February 28, 2023); 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.

(Unaudited - expressed in Canadian dollars)

6. Exploration and evaluation assets (continued):

Exploration expenditures for the nine months ended February 28, 2023 are as follows:

	Pegmont	Killer Bore	Total
Analysis	$ 8,377	$ 857	$ 9,234
Drilling	641,936	101,769	743,705
Field supplies and equipment	117,624	10,729	128,353
Geological consulting	247,922	40,662	288,584
Maps and reports	6,710	-	6,710
Meals and accommodation	62,458	9,427	71,885
Permitting	38,861	-	38,861
Project management	3,509	1,531	5,040
Transportation	27,834	9,880	37,714
Total for the period	$ 1,155,231	$ 174,855	$ 1,330,086

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.

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 7).

(Unaudited - expressed in Canadian dollars)

7. Long-term debt (continued):

During the year ended May 31, 2021, the Company entered into an amending agreement whereby the repayment bonus ratio became based on the Company's market capitalization the day prior to repayment divided by $13,000,000. As at May 31, 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 were 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% (2021 – 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. During the year ended May 31, 2022, the Company settled its debt with Nebari in full. There was no Repayment Bonus required at the time of repayment and all securities have been discharged.

During the year ended May 31, 2022, the Company paid $279,973 (US$219,355) in interest payments and $2,461,790 (US$1,941,732) in principal repayments.

		February 28, 2023		May 31, 2022
Opening Balance	$	-	$	2,384,884
Principal payment		-		(2,461,790)
Interest payment		-		(279,973)
Interest accrued		-		233,332
Foreign exchange		-		123,547
Ending Balance	$	-	$	-
Current portion	$	-	$	-
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 May 31, 2021 the derivative liability had a fair value of $nil. During the year ended May 31, 2022, the Company settled the loan and no Repayment Bonus was required based on the Company's market capitalization at the time of settlement.

9. Share capital:

(a) Authorized:

Unlimited common shares without par value.

(b) Share issuances:

2023 transactions

a) On October 19, 2022, the company issued 1,080,000 common shares in full satisfaction of its obligations under the PSU. On issuance, the Company reclassified $216,000 from obligations to issue shares to share capital.

b) On February 14, 2023, the company closed a non-brokered private placement by issuing 18,699,974 units at a price of $0.05 per unit for gross proceeds of $934,999. Each unit is comprised of one common share and one half of one common share purchase warrant, exercisable for two years at a price of $0.06 per share. The Company paid finders fees of $9,100 and incurred additional closing costs of $34,665 in connection with the financing.

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.

(Unaudited - expressed in Canadian dollars)

9. Share capital (continued):

(c) Warrants:

Details of activity in warrants for the nine months ended February 28, 2023 and the year ended May 31, 2022 are as follows:

Number outstanding May 31, 2022	Granted	Exercised	Expired/ Cancelled	Number outstanding Feb 28, 2023	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
	9,349,987	-	-	9,349,987	0.06	Feb 14, 2025
55,848,929	9,349,987	-	14,419,582	50,779,334		
$0.08	$0.06	-	$0.13	$0.07	(weighted average exercise price)	

Number outstanding May 31, 2021	Granted	Exercised	Expired/ Cancelled	Number outstanding May 31, 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	0.09	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	(900,000)	(6,049,560)	55,848,929		
$0.09	$0.07	$0.06	$0.30	$0.08	(weighted average exercise price)	

(d) Stock options:

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. There was no stock option activity during the period ended November 30, 2022 and the year ended May 31, 2022.

(Unaudited - expressed in Canadian dollars)

9. Share capital (continued):

(e) Performance Share Units:

During the year ended May 31, 2018, the Company granted 2,700,000 Performance Share Units (PSU) to the Company's directors, of which 1,080,000, with a value of $216,000, vested during the year ended May 31, 2019, upon the achievement of related performance milestones. During the period ended February 28 2023, the Company issued 1,080,000 common shares in full satisfaction of its obligations under the PSU.

10. Segmented information:

The Company's business consists of one reportable segment being resource exploration. Details about geographic areas as at February 28, 2023 and May 31, 2022 are as follows:

Non-current assets	February 28, 2023	May 31, 2022
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, 2023	February 28, 2022
Management fees, consulting fees, and accounting fees to key management personnel or companies controlled by key management personnel	$ 348,500	$ 104,625
Geological consulting fees to a company controlled by a director	135,000	45,000
Office, administration, rent and accounting costs to companies controlled by key management	27,375	27,387
	$ 510,875	$ 177,012

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, 2022, including interest, was $212,540. During the year ended May 31, 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 $255,651 (May 31, 2022 - $174,275) 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. 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.

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.

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 $1,200 in the net loss realized for the period. 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. The Company is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management during the period.