Vior Inc.

Consolidated Financial Statements

For the years ended June 30, 2022 and 2021

Raymond Chabot
Grant Thornton

Independent Auditor's Report

Raymond Chabot
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To the Shareholders of
Vior Inc.

Opinion

We have audited the consolidated financial statements of Vior Inc. (hereafter "the Corporation"), which comprise the consolidated statement of financial position as at June 30, 2022, and the consolidated statement of comprehensive income (loss), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Corporation as at June 30, 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Corporation in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter – Comparative information audited by a predecessor auditor

The consolidated financial statements of the Corporation for the year ended June 30, 2021 were audited by another auditor who expressed an unmodified opinion on those statements on October 14, 2021.

Information other than the consolidated financial statements and the auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of management and those charged with governance for the consolidated financial statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Corporation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Corporation or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Corporation's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation’s internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Corporation to cease to continue as a going concern;

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

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Alain Lemaire.

[1]

Raymond Chabot Grant Thornton LLP

Val-d'Or
October 24, 2022

[1] CPA auditor, public accountancy permit no. A109964

Vior inc.

Consolidated Statements of Financial Position

(in Canadian dollars)

	Notes	As at June 30 2022	As at June 30 2021
		$	$
Assets			
Current assets			
Cash and cash equivalents	5	1,325,421	1,749,922
Investments	5	500,000	700,000
Tax credits and mining rights receivable		404,735	427,020
Sales tax receivable		162,671	82,368
Accounts receivable		8,328	84,051
Listed shares	6	831,508	-
Prepaid expenses		29,762	22,917
Total current assets		3,262,425	3,066,278
Non-current assets			
Listed shares	6	-	2,645,075
Mining properties	7	5,610,541	3,335,296
Right-of-use assets	8	191,924	-
Total non-current assets		5,802,465	5,980,371
Total assets		**9,064,890**	**9,046,649**
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		414,266	478,091
Deposit received for share issuance		249,990	-
Liability related to the premium on flow-through shares		133,115	-
Lease liability – current portion	10	44,524	-
		841,895	478,091
Non-current liabilities			
Loans	9	31,985	31,985
Lease liabilities – current portion	10	153,866	-
Total non-current liabilities		185,851	31,985
Total liabilities		1,027,746	510,076
Equity			
Share capital	11	37,495,006	35,651,223
Warrants	12	269,389	301,167
Stock options	13	423,842	332,489
Contributed surplus		2,045,791	2,045,791
Deficit		(32,196,884)	(29,794,097)
Total equity		8,037,144	8,536,573
Total liabilities and equity		**9,064,890**	**9,046,649**

Contingencies and commitments (note 21)
Subsequent events (note 22)
The accompanying notes are an integral part of these consolidated financial statements.

On behalf of the Board of Directors

(s) Mark Fedosiewich	*(s) Charles-Olivier Tarte*
President, CEO and Director	Director

Vior Inc.

Consolidated Statements of Comprehensive Income (Loss)
(in Canadian dollars)

	Notes	Years ended June 30, 2022	2021
		$	$
Revenues			
Fees charged to partners		1,409	17,842
Expenses			
Salaries and benefits	14	344,698	199,572
Professional and consulting fees		174,535	236,534
Regulatory fees		54,473	43,781
Rent and office expenses		49,377	42,091
Communication, conference and investor relations		282,493	150,987
Share-based compensation		70,911	87,216
Travelling		14,902	8,411
Search for mining properties		8,889	2,433
Depreciation of right-of-use assets	8	47,988	-
Cost of mining properties abandoned, impaired or written off	7	31,444	67,272
		1,079,710	838,297
Other revenues (charges)			
Interests		10,896	4,608
Change in fair value – listed shares	6	(1,813,567)	1,284,450
Accretion - loans and lease liability	9 - 10	(20,250)	(3,614)
		(1,822,921)	1,285,444
Income (loss) before income taxes		(2,901,222)	464,989
Recovery of deferred income taxes	15	498,435	-
Income (loss) and comprehensive income (loss)		**(2,402,787)**	**464,989**
Basic earnings per share	16	(0.031)	0.008
Diluted earnings per share	16	(0.031)	0.006

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

Vior Inc.

Consolidated Statements of Changes in Equity

(in Canadian dollars)

	Notes	Number of shares outstanding	Share capital	Warrants	Stock options	Contributed surplus	Deficit	Total
			$	$	$	$	$	$
Balance at June 30, 2020		**44,259,267**	**31,631,819**	**193,394**	**308,277**	**1,845,539**	**(30,259,086)**	**3,719,943**
Net income and comprehensive income		-	-	-	-	-	464,989	464,989
Private placement	11	25,500,000	3,561,418	188,582	-	-	-	3,750,000
Acquisition of mining properties	11	2,410,000	476,800	68,000	-	-	-	544,800
Warrants exercised	12	375,000	63,597	(7,347)	-	-	-	56,250
Warrants expired	12	-	-	(141,462)	-	141,462	-	-
Stock options exercised	13	400,000	67,688	-	(27,688)	-	-	40,000
Stock-based compensation	13	-	-	-	110,690	-	-	110,690
Stock options expired	13	-	-	-	(58,790)	58,790	-	-
Share issue expenses		-	(150,099)	-	-	-	-	(150,099)
Balance at June 30, 2021		**72,944,267**	**35,651,223**	**301,167**	**332,489**	**2,045,791**	**(29,794,097)**	**8,536,573**
Net loss and comprehensive loss		-	-	-	-	-	(2,402,787)	(2,402,787)
Flow-through private placement	11	8,305,482	2,292,646	-	-	-	-	2,292,646
Less: premium on flow-through shares		-	(631,550)	-	-	-	-	(631,550)
		8,305,482	1,661,096	-	-	-	-	1,661,096
Warrants exercised	12	1,725,000	292,545	(33,795)	-	-	-	258,750
Compensation warrants	12	-	-	2,017	-	-	-	2,017
Stock-based compensation	13	-	-	-	91,353	-	-	91,353
Share issue expenses		-	(109,858)	-	-	-	-	(109,858)
Balance at June 30, 2022		**82,974,749**	**37,495,006**	**269,389**	**423,842**	**2,045,791**	**(32,196,884)**	**8,037,144**

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

Vior Inc.

Consolidated Statements of Cash Flows
(in Canadian dollars)

	Years ended June 30, 2022	2021
	$	$
Cash flows from operating activities		
Net income (loss)	(2,402,787)	464,989
Adjustments for:		
Change in fair value – listed shares	1,813,567	(1,284,450)
Share-based compensation	70,911	87,216
Deferred government grant	(4,772)	(21,026)
Depreciation of right-of-use assets	47,988	-
Cost of mining properties abandoned, impaired or written off	31,444	67,272
Accretion – loans and lease liability	20,250	3,614
Recovery of deferred income taxes	(498,435)	-
	(921,834)	(682,385)
Changes in non-cash working capital items		
Sales tax receivable	(80,303)	(76,584)
Accounts receivable	75,723	(46,825)
Prepaid expenses	(6,845)	(2,985)
Accounts payable and accrued liabilities	114,268	656,998
	102,843	530,604
	(818,991)	(151,781)
Cash flows from financing activities		
Lease liability payment	(57,000)	-
Loans cashed	-	20,000
Private placement	-	3,750,000
Flow-through private placement	2,292,646	-
Deposit received for share issuance	249,990	-
Share issue expenses	(107,841)	(150,099)
Warrants exercised	258,750	56,250
Stock options exercised	-	40,000
	2,636,545	3,716,151
Cash flows from investing activities		
Additions to investments	(500,000)	(700,000)
Investments' maturity	700,000	-
Acquisition of mining properties and capitalized exploration costs	(2,869,075)	(2,064,763)
Tax credits and mining rights received	427,020	12,315
	(2,242,055)	(2,752,448)
Net change in cash and cash equivalents	(424,501)	811,922
Cash and cash equivalents - beginning	1,749,922	938,000
Cash and cash equivalents - ending	**1,325,421**	**1,749,922**
Interest received	9,594	2,692
Additional information on the consolidated statements of cash flow (note 19)		

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

1. GENERAL INFORMATION AND GOING CONCERN

Vior Inc. (the "Corporation") governed by the Business Corporations Act (Québec), is in the business of acquiring and exploring mining properties. The address of the Corporation's registered office is 995 Wellington Street, suite 240, Montréal, Quebec, H3C 1V3, Canada. The Corporation's shares are listed on the TSX Venture Exchange (the "Exchange") under the symbol VIO.

The Corporation has not yet determined whether its mining properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for mining properties is dependent upon the existence of economically recoverable reserves, the ability of the Corporation to obtain the necessary financing to complete the exploration and development work of its mining properties, and upon future profitable production or proceeds from the disposal of mining properties.

Although management has taken actions to verify the ownership rights for mining properties in which the Corporation owns an interest and in accordance with industry standards for the current exploration phase of these properties, these procedures give no assurance to the Corporation as to title. The title to a mining property may be subject to unrecognized prior agreements and not compliant with regulatory requirements.

As at June 30, 2022, the Corporation has working capital of $2,420,530 including cash and cash equivalents of $1,325,421. Management of the Corporation believes it has sufficient funds to pay its ongoing general and administrative expenses, to pursue its budgeted exploration and evaluation expenditures, and to meet its liabilities, obligations and existing commitments for the ensuing twelve months as they fall due. In assessing whether the going concern assumption is appropriate, management takes into account all available information about the future.

To continue the Corporation's exploration and evaluation programs on its properties and its operations beyond June 30, 2022, the Corporation will periodically need to raise additional funds through the issuance of new equity instruments, the exercise of stock options and the search for partners to sign option agreements on certain of its mineral properties. While it has been successful in doing so in the past, there can be no assurance it will be able to do so in the future or that these sources of funding or initiatives will be available for the Corporation or that they will be available on terms that are acceptable to the Corporation.

These consolidated financial statements ("Financial Statements") were approved and authorized for issue by the Board of Directors on October 24, 2022.

2. BASIS OF PREPARATION

The Financial Statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

2.1 Basis of measurement

The Financial Statements have been prepared on a going concern basis, under the historical cost convention, except for certain assets at fair market value.

2.2 Consolidation

The Financial Statements include the accounts of the Corporation and those of its subsidiary owned at 100%, Vior Gold USA, LLC ("Vior USA"). The Corporation controls an entity when the Corporation is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns, through its power over the entity. Vior USA is fully consolidated from the date control was obtained by the Corporation and is deconsolidated from the date that control ceases. All intercompany accounts and transactions are eliminated.

2.3 Functional and presentation currency

Items included in the Financial Statements of each of the Corporation's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Financial Statements are presented in Canadian dollars, which is the functional currency of the Corporation and its subsidiary.

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing on the date of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at period-end exchange rates are recognized in profit or loss. Non-monetary items are not retranslated at the period-end. They are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these annual Financial Statements are described below. They have been applied consistently to all years presented.

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash and guaranteed investment certificates cashable at any time or with a maturity that is three months or less from the date of acquisition.

3.2 Financial instruments

Financial assets and financial liabilities are recognized when the Corporation becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and the Corporation has transferred substantially all risks and rewards of ownership.

Per IFRS 9, Financial Instruments (“IFRS 9”), financial assets and financial liabilities, including derivative financial instruments, are initially measured at fair value. Subsequent to initial recognition, financial assets and financial liabilities are measured based on their classification, depending on the purpose for which the instruments were acquired as well as the characteristics of their contractual cash flows.

Fair value through profit or loss:
Listed shares are valued at fair value through profit or loss and they consist of equity investments recognized initially at fair value and subsequently measured at fair value. Gains or losses arising from changes in fair value are recorded in the consolidated statement of comprehensive income (loss). Dividend income on those investments is recognized in the consolidated statement of comprehensive income (loss).

Amortized cost:
Financial assets at amortized cost are non-derivative financial assets with fixed or determinable payments consisting solely of payments of principal and interest and which are held within a “held to collect” business model.

Subsequently, financial assets at amortized cost are measured using the effective interest method less a provision for expected losses. The Corporation’s cash and cash equivalents, investments and accounts receivable are classified in this category.

Financial liabilities at amortized cost:
Financial liabilities consist of accounts payable and accrued liabilities (with the exception of the deduction at source, salaries and vacation payable), deposit received for share issuance and loans. Subsequently, they are measured at amortized cost using the effective interest method, which corresponds to par value due to their short-term maturity. They are classified as current liabilities if the payment is due within 12 months. Otherwise, they are presented as non-current liabilities.

Impairment of financial assets at amortized cost:
The expected credit loss is the difference between the amortized cost of the financial asset and the present value of future expected cash flows, discounted using the initial effective rate of the financial asset. The carrying amount of the asset is reduced by this amount either directly or indirectly through the use of an allowance account. Provision for anticipated losses are adjusted in subsequent periods if the credit loss has increased or decreased since initial recognition. The Corporation applies the simplified method permitted by IFRS 9 for trade receivables which requires the recognition of lifetime expected credit losses at initial recognition.

3.3 Mining properties

The Corporation records its acquisition of interests in mining properties and areas of geological interest at cost, less option payments received and other recoveries. These acquisition costs are recognized as intangible assets. Exploration costs related to these interests and projects are capitalized on the basis of specific claim blocks or areas of geological interest until the mining properties to which they relate are placed into production, sold or abandoned. When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, these exploration costs are recognized as tangible assets. These costs will be amortized over the estimated recoverable resources in the current mine plan using the unit of production method or written off if the mining properties are sold or projects are abandoned. General exploration costs not related to specific mining properties are expensed as incurred.

Mining properties are reviewed for impairment at each reporting date whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the mining property exceeds its recoverable amount. The recoverable amount is the higher of the mining property's fair value, less costs of disposal and value in use. Value in use is determined using the present value of the future cash flows expected to be derived from an asset. Impairment losses are recognized in the consolidated statement of comprehensive income (loss) under the caption Cost of mining properties abandoned, impaired or written off.

For the purpose of assessing impairment, mining properties are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Impairments are reviewed for potential reversals at each reporting date. Impairment can be reversed but is limited to the carrying amount that would have been determined net of depreciation, and as if no impairment to the carrying amount had been recognized.

From time to time, the Corporation may acquire or dispose of a property pursuant to the terms of an option agreement. Due to the fact that options are exercisable entirely at the discretion of the option holder, the amounts payable or receivable are not recorded. Option payments are recorded when they are made or received. Proceeds on the sale of mining properties are applied in reduction of the acquisition costs of the related mining rights, then in reduction of the exploration costs for the related area of interest, and any residual is recorded in the consolidated statement of comprehensive income (loss) unless there is contractual work required by the Corporation, in which case the residual gain is deferred and will be applied against the contractual disbursements when completed.

Also, the Corporation can exchange a property pursuant to an exchange agreement. All assets received in exchange of the property are valued at fair market, unless the fair market of those assets received cannot be measured by a reliable manner, in which case the exchanged assets is valued at the book value of the disposed property.

Funds received from partners on certain properties where the Corporation is the operator in order to perform exploration work as per agreements, are accounted for in the consolidated statement of financial position as advances received for upcoming exploration work. These advances are reduced gradually when the exploration work is performed. The project management fees received when the Corporation is the operator are recorded in the consolidated statement of comprehensive income (loss) when the exploration costs are charged back to the partner. When the partner is the operator, the management fees are recorded in the consolidated statement of financial position as exploration costs. Costs related to mining properties are systematically assessed for impairment when transferred to development assets.

3.4 Lease agreements

At the commencement date of a lease, a liability is recognized to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset) is also recognized.

The right-of-use asset is initially measured at cost, which includes the initial measurement of the lease liability, adjusted for lease payments made on or before the commencement date, plus any initial direct costs incurred and an estimate of any cost to dismantle and remove the underlying asset, less any lease inducements received. The Corporation depreciates the right-of-use assets on a straight-line basis form the lease commencement date to the earlier of the useful life of the right-of-use asset or the end of the lease term. The Corporation assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Corporation measures the lease liability at the present value of the lease payments unpaid at the date, discounted using the interest rate implicit in the lease if that rate is readily available or the Corporation's marginal borrowing rate. Generally, the Corporation uses its marginal borrowing rate as the discount rate.

The interest expense on the lease liability is recognized separately from the depreciation expense on the right-of-use asset. The lease liability is remeasured upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). This remeasurement is generally recognized as an adjustment to the right-of-use asset. Leases of "low-value" assets and short-term leases (12 months or less) will continue to be recorded as operating lease on a straight-line basis as an expense in the consolidated statement of comprehensive income (loss).

3.5 Provisions

Provisions for environmental restoration, restructuring costs and legal claims, where applicable, are recognized when (i) the Corporation has a present legal or constructive obligation as a result of past events; (ii) it is more likely than not that an outflow of resources will be required to settle the obligation; and (iii) the amount can be reliably estimated. Provisions are measured at management's best estimate of the expenditure required to settle the obligation at the end of the reporting period and are discounted to present value when the effect is material. The increase in the provision due to passage of time is recognized as interest expense. Changes in assumptions or estimates are reflected in the period in which they occur.

Provision for environmental restoration represents the legal and constructive obligations associated with the eventual closure of the Corporation's property, plant and equipment. These obligations consist of costs associated with reclamation and monitoring of activities and the removal of tangible assets. The discount rate used is based on a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability, excluding the risks for which future cash flow estimates have already been adjusted. The Corporation had no provisions as at June 30, 2022 and 2021.

3.6 Credit on duties refundable for loss and refundable tax credit for resources

The Corporation is entitled to a credit on duties refundable for loss under the Mining Duties Act and a refundable tax credit for resources under the Quebec Income Tax Act. Those credits are calculated on qualified exploration expenditures incurred in the province of Quebec. Those credits are accounted for using the cost reduction method. Accordingly, they are recorded as a reduction of the related expenses or capital expenditures in the year the expenses are incurred, provided there is reasonable assurance that the Corporation has complied with all the conditions related to those credits and that those credits will be received.

3.7 Government grant

The Corporation periodically receives grants from different government incentive programs. These grants are recognized initially when there is a reasonable assurance that they will be received and when the Corporation has intentions to comply with the conditions associated with the grants. The financial aid received for expenditures incurred is applied as a deduction from these expenditures on a systematic basis and in the same accounting period in which the expenditures are incurred.

3.8 Share capital

Share capital represents the amount received on the issuance of shares, less the warrants granted when units are issued, and their fair value is estimated using the Black-Scholes option-pricing model. Share capital issued for non-monetary consideration is generally recorded at the quoted market price of the shares on the date of agreement relating to their issue. Share issue expenses are recorded as a reduction of shares and warrants.

3.9 Flow-through shares

The Corporation finances some exploration expenditures through the issuance of flow-through shares. The resource expenditure deductions for income tax purposes are renounced to investors in accordance with the appropriate income tax legislation. The difference between the quoted price of the common shares and the amount the investors pay for the shares ("premium"), measured in accordance with the residual value method, is recognized as a liability which is reversed to the consolidated statement of comprehensive income (loss) as a deferred tax recovery when eligible expenditures have been made. The Corporation recognizes a deferred tax liability for the expenses renounced and a deferred tax expense at the moment the eligible expenditures are made.

3.10 Warrants

The fair value of warrants is measured on the date of grant. The fair value of warrants granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the warrants were granted. When warrants are issued as compensation to brokers, on the date of grant, the fair value of warrants is recognized as a share-issue expense and is recorded as a reduction of share capital.

3.11 Share-based compensation plan

The Corporation operates an equity-settled share-based remuneration plan (share options plan) for its eligible directors, officers, employees and consultants. The Corporation's plan does not feature any options for a cash settlement.

An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee, including Directors of the Corporation. The expense is recorded over the vesting period for employees and over the period covered by the contract for non-employees.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values, unless that fair value cannot be estimated reliably. If the Corporation cannot estimate reliably the fair value of the goods or service received, the Corporation shall measure their value indirectly by reference to the fair value of the equity instruments granted. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date using the Black Scholes option pricing model and excludes the impact of non-market vesting conditions.

All equity-settled share-based payments (except compensation warrants) are ultimately recognized as an expense in the consolidated statement of comprehensive income (loss) or are capitalized as exploration costs in mining properties and treated as equity on the consolidated statement of financial position as equity, depending on the nature of the payment. The corresponding credit to stock options in *equity*. Compensation warrants, in respect of an equity financing are recognized as share issue expense reducing the share capital. The corresponding credit is applied to *warrants* in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates.

Upon exercise of share options, the proceeds received net of any directly attributable transaction costs are recorded as capital stock. The accumulated charges related to the share options recorded in *stock options* are then also transferred to share capital.

3.12 Income taxes

The Corporation provides for income taxes using the liability method. Under this method, deferred tax assets and liabilities are determined based on deductible or taxable temporary differences between the carrying amount and tax bases of assets and liabilities using enacted or substantively enacted income tax rates expected to be in effect for the year in which the differences are expected to reverse. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the financial position reporting date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized.

Deferred tax assets and liabilities are presented as non-current and are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when deferred tax assets and liabilities arising from the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.13 Basic and diluted earnings per share

Basic earnings per share are determined using the weighted average number of common shares outstanding during the year.

Diluted earnings per share are calculated using the weighted average number of common shares outstanding during the year, plus the effects of dilutive potential common shares outstanding during the year. For stock options and warrants, the calculation of diluted earnings per share is made using the treasury stock method, as if all dilutive potential common shares had been issued at the later of the beginning of the year or the date of issuance, as the case may be, and as if the funds obtained thereby had been used to purchase common shares of the Corporation at the average market value of the participating shares during the year.

3.14 Segment reporting

The Corporation currently operates in one business segment, being the acquisition and the exploration of mining properties. All of the Corporation's mining properties are located in Quebec, Canada, except for one property located in Nevada, USA.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the financial statements in conformity with IFRS requires the Corporation to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These financial statements include estimates that, by their nature, are uncertain. The impacts of such estimates are 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 in future periods if the revision affects both current and future periods. These judgments, estimates and assumptions 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.

4.1 Critical accounting estimates and assumptions

Critical accounting estimates and assumptions are those that have a significant risk of causing material adjustment and are often applied to matters or outcomes that are inherently uncertain and subject to change. As such, management cautions that future events may vary from forecasts and expectations and that estimates routinely require adjustment. The following discusses the most significant accounting estimates and assumptions that the Corporation has made in the preparation of the Financial Statements.

Lease obligations

Accounting for leases obligations involves judgment and requires the establishment of a number of estimates and assumptions. Judgment is used to determine whether there is reasonable certainty that an option to extend or terminate the rental agreement will be exercised. In addition, management has made estimates to determine the appropriate interest rate to value the lease obligation (see note 10).

Mining properties

The Corporation's evaluation of the recoverable amount with respect to the mining properties is based on numerous assumptions including long-term commodity prices, future capital requirements, exploration potential and operations performance and may differ significantly from actual values. The recoverable amounts are based, in part, on certain factors that may be partially or totally outside of the Corporation's control. This evaluation involves a comparison of the estimated recoverable amounts of mining properties to carrying values. Assets are reviewed for an indication of impairment at each reporting date and when there are indicators of impairment. This determination requires significant judgment. Factors that could trigger an impairment review include, but are not limited to, interruptions in exploration activities and significant negative industry or economic trends.

See note 7 on the mining assets depreciation analysis.

The cost of mining assets abandoned, impaired or written off for $31,444 relating to the Belmont, Foothills and Skyfall properties was expenses in the year ended June 30, 2022 ($67,272 for the year ended June 30, 2021, relating to the Foothills and Mirabelli properties). No impairment reversal was recorded for those years.

The other mining assets were not tested for impairment since the Corporation has the capacity to keep these properties because it has sufficient funds to respect its short-term obligation. Additionally, claims will not expire in the near future or are expected to be renewed, work was performed during the last years and/or promising results were obtained on these properties.

Share-based compensation

The estimation of share-based payment costs requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Corporation has made estimates as to the volatility of its own shares, the probable life of share options granted and the time of exercise of those share options. The model used by the Corporation is the Black-Scholes valuation model (see note 13).

Credit on duties refundable for loss and refundable tax credit for resources

The calculation of the refundable tax credit on qualified exploration expenditures incurred and credit on duties involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until notice of assessments and payments have been received from the relevant taxation authority. Difference arising between the actual results following final resolution of some of these items and the assumptions made could necessitate adjustments to the refundable tax credit and credit on duties, deferred exploration expenses and income tax expense in future periods (see note 3.6).

4.2 Critical judgments in applying the entity's accounting policies

Recognition of deferred income tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carryforward period. By its nature, this assessment requires significant judgment. To date, management has not recognized any deferred tax assets in excess of existing taxable temporary differences expected to reverse within the carryforward period (see note 3.12).

Going concern and liquidity

The assessment of the Corporation's ability to execute its strategy by funding future working capital and exploration activities involves judgment. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Areas of significant judgments in assessing whether the going concern assumption is appropriate relate to the expected level of exploration activities in the future, which is at least, but not limited to, 12 months from the end of the reporting period.

5. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents are as follow:

	Years ended June 30, 2022	2021
	$	$
Cash	1,125,421	1,549,922
Guaranteed investment certificates, 2% (0.35% as at June 30, 2021), cashable, expiring June 5, 2023	200,000	200,000
Cash and cash equivalents	**1,325,421**	**1,749,922**

On June 30, 2021, investments are composed of guaranteed investment certificates not cashable before the expiry date, bearing between 0.76% to 0.81% interest payable annually, maturing on April 27, 2022, and with a maturity value of $705,500.

On June 30, 2022, investments are composed of guaranteed investment certificates not cashable before the expiry date, bearing between 2.94% to 3.45% interest payable annually, maturing between May 4 and June 5, 2023 and with a maturity value of $515,240.

The balance on flow-through financing not spent according to the restrictions imposed by the December 2021 financings represents $428,926 as at June 30, 2022 and is included in investments. The Corporation has to dedicate these funds to Canadian mining properties exploration.

6. LISTED SHARES

	Years ended June 30, 2022	2021
	$	$
Listed shares classified as measured at fair value through profit or loss		
Balance - Beginning of year	2,645,075	1,299,875
Acquisitions	-	60,750
Change in fair value	(1,813,567)	1,284,450
Balance - End of year	**831,508**	**2,645,075**

	As at June 30, 2022			As at June 30, 2021		
	Market price per share	Number of shares	Fair value	Market price per share	Number of shares	Fair value
	$		$	$		$
Prospector Metals Corp.	0.47	141,666	66,583	0.93	141,666	131,750
Ridgeline Minerals Corp.	0.21	3,642,500	764,925	0.69	3,642,500	2,513,325
			831,508			**2,645,075**

The Corporation completed a series of strategic investments in Ridgeline Minerals Corporation ("Ridgeline"). Ridgeline is an arm's length corporation whose wholly owned Nevada subsidiary holds the option to acquire a 100% interest in three gold exploration projects all located in Nevada, USA: Carlin-East, Swift and Selena. In May 2019, the Corporation invested $210,600 in the initial seed round of financing, and in the subsequent financing rounds the Corporation invested $247,500 in December 2019 and $167,750 in February 2020. Ridgeline completed its initial public offering ("IPO") on August 13, 2020. In total, the Corporation has invested $625,850 in Ridgeline in consideration for 3,642,500 shares.

Pursuant to an option agreement on the Ligneris property (note 7.5), the Corporation received shares from Ethos Gold Corp ("Ethos"). On April 25, 2022, Ethos completed a name change to Prospector Metals Corp. ("Prospector") and its shares were consolidated on a 3 for 1 basis. On a consolidated basis, the Corporation received from Prospector 66,666 shares in July 2019 valued at $50,000 and 225,000 shares in July 2020 valued at $60,750. In total since the beginning of the option agreement, the Corporation has received 141,666 Prospector's shares valued at $110,750 on their issuance dates.

7. MINING PROPERTIES

	Undivided interest	Balance as at June 30, 2021	Net additions	Disposal	Tax credits	Impair-ment	Balance as at June 30, 2022
	%	$	$	$	$	$	$
Quebec, Canada							
Belleterre	n/a						
Acquisition costs		584,925	61,753	-	-	-	646,678
Exploration costs		218,010	2,230,280	-	(385,869)	-	2,062,421
		802,935	2,292,033	-	(385,869)	-	2,709,099
Belmont	100						
Acquisition costs		28,080	-	-	-	(28,080)[2)]	-
Exploration costs		-	1,240	-	-	(1,240)[2)]	-
		28,080	1,240	-	-	(29,320)	-
Big Island Lake	100						
Acquisition costs		6,135	-	-	-	-	6,135
Exploration costs		16,812	-	-	-	-	16,812
		22,947	-	-	-	-	22,947
Foothills	100						
Acquisition costs		18,542	-	-	-	(533)[1)]	18,009
Exploration costs		205,298	-	-	-	-	205,298
		223,840	-	-	-	(533)	223,307
Lac Merlin	100						
Acquisition costs		2,650	-	-	-	-	2,650
Exploration costs		4,276	426	-	-	-	4,702
		6,926	426	-	-	-	7,352
Ligneris	100						
Acquisition costs		283,000	6,179	-	-	-	289,179
Exploration costs		195,746	173,219	-	(3,353)	-	365,612
		478,746	179,398	-	(3,353)	-	654,791
Mosseau	100						
Acquisition costs		297,020	7,784	-	-	-	304,804
Exploration costs		506,549	9,581	-	(772)	-	515,358
		803,569	17,365	-	(772)	-	820,162
Skyfall	100						
Acquisition costs		155,577	12,050	-	-	(1,591)[1)]	166,036
Exploration costs		273,690	163,915	-	(14,741)	-	422,864
		429,267	175,965	-	(14,741)	(1,591)	588,900
Vezza-Noyard	100						
Acquisition costs		2,221	546	-	-	-	2,767
Exploration costs		78,324	-	-	-	-	78,324
		80,545	546	-	-	-	81,091
Others	N/A						
Acquisition costs		2,546	-	(2,546)	-	-	-
Exploration costs		53	-	(53)	-	-	-
		2,599	-	(2,599)	-	-	-
Subtotal – Canada		2,879,454	2,666,973	(2,599)	(404,735)	(31,444)	5,107,649

	Undivided interest	Balance as at June 30, 2021	Net additions	Disposal	Tax credits	Impair-ment	Balance as at June 30, 2022
	%	$	$	$	$	$	$
Nevada, USA							
Tonya	100						
Acquisition costs		296,268	47,050	-	-	-	343,318
Exploration costs		159,574	-	-	-	-	159,574
Subtotal – USA		455,842	47,050	-	-	-	502,892
Summary							
Acquisition costs		1,676,964	135,362	(2,546)	-	(30,204)	1,779,576
Exploration costs		1,658,332	2,578,661	(53)	(404,735)	(1,240)	3,830,965
Total		**3,335,296**	**2,714,023**	**(2,599)**	**(404,735)**	**(31,444)**	**5,610,541**

1) The Corporation impaired partially for the claims that were abandoned.
2) The Corporation dropped the claims of the property.

	Undivided interest	Balance as at June 30, 2020	Net additions	Option payments	Tax credits	Impair-ment	Balance as at June 30, 2021
	%	$	$	$	$	$	$
Quebec, Canada							
Belleterre	n/a						
Acquisition costs		-	584,925	-	-	-	584,925
Exploration costs		-	325,580	-	(107,570)	-	218,010
		-	910,505	-	(107,570)	-	802,935
Belmont	100						
Acquisition costs		-	28,080	-	-	-	28,080
Exploration costs		-	-	-	-	-	-
		-	28,080	-	-	-	28,080
Big Island Lake	100						
Acquisition costs		6,135	-	-	-	-	6,135
Exploration costs		16,812	-	-	-	-	16,812
		22,947	-	-	-	-	22,947
Foothills	100						
Acquisition costs		19,209	-	-	-	(667)[1)]	18,542
Exploration costs		205,298	-	-	-	-	205,298
		224,507	-	-	-	(667)	223,840
Lac Merlin	100						
Acquisition costs		2,650	-	-	-	-	2,650
Exploration costs		2,956	1,378	-	(58)	-	4,276
		5,606	1,378	-	(58)	-	6,926
Ligneris	100						
Acquisition costs		-	283,000	-	-	-	283,000
Exploration costs		252,867	5,582	(60,750)	(1,953)	-	195,746
		252,867	288,582	(60,750)	(1,953)	-	478,746
Mirabelli	n/a						
Acquisition costs		-	24,619	-	-	(24,619)[2)]	-
Exploration costs		-	73,347	-	(31,361)	(41,986)[2)]	-
		-	97,966	-	(31,361)	(66,605)	-
Mosseau	100						
Acquisition costs		215,377	81,643	-	-	-	297,020
Exploration costs		384,125	198,219	-	(75,795)	-	506,549
		599,502	279,862	-	(75,795)	-	803,569
Skyfall	100						
Acquisition costs		27,744	127,833	-	-	-	155,577
Exploration costs		894	479,807	-	(207,011)	-	273,690
		28,638	607,640	-	(207,011)	-	429,267
Vezza-Noyard	100						
Acquisition costs		2,221	-	-	-	-	2,221
Exploration costs		78,324	-	-	-	-	78,324
		80,545	-	-	-	-	80,545
Others	N/A						
Acquisition costs		2,546	-	-	-	-	2,546
Exploration costs		27	46	-	(20)	-	53
		2,573	46	-	(20)	-	2,599
Subtotal – Canada		1,217,185	2,214,059	(60,750)	(423,768)	(67,272)	2,879,454

	Undivided interest	Balance as at June 30, 2020	Net additions	Option payments	Tax credits	Impair-ment	Balance as at June 30, 2021
	%	$	$	$	$	$	$
Nevada, USA							
Tonya	100						
Acquisition costs		218,273	77,995	-	-	-	296,268
Exploration costs		108,166	51,408	-	-	-	159,574
Subtotal – USA		326,439	129,403	-	-	-	455,842
Summary							
Acquisition costs		494,155	1,208,095	-	-	(25,286)	1,676,964
Exploration costs		1,049,469	1,135,367	(60,750)	(423,768)	(41,986)	1,658,332
Total		**1,543,624**	**2,343,462**	**(60,750)**	**(423,768)**	**(67,272)**	**3,335,296**

1) The Corporation impaired partially for the claims that were abandoned.

2) The Corporation wrote off the property following the termination of the option agreement (note 7.6).

7.1 Belleterre

The Corporation staked claims in the Belleterre area that significantly increased its Project size following the agreements described below.

7.1.1 Option agreement – Les Mines J.A.G. Ltd. ("JAG")

Under the option agreement signed on January 27, 2021, JAG has granted the option to the Corporation to acquire 100% of the rights and interests in their Belleterre Project which may be exercised by the Corporation following cash payments and the issuance of common shares on or before the dates indicated below:

Payment Date	Amount		Work Commitment
On the execution of the Agreement	Cash (completed)	$15,000	$300,000 (completed)
June 1, 2021	Cash (completed)	$60,000	
March 31, 2022	-		
June 1, 2022	Cash (completed)	$50,000	$1,700,000
December 31, 2022	Cash	$50,000	
June 1, 2023	Cash	$50,000	
December 31, 2023	Cash	$75,000	
March 31, 2024	-		
June 30, 2025	Cash and/or Share Issuance	$2,000,000	-
Total:	**$2,300,000**		**$2,000,000**

The Corporation may accelerate the exercise of the option by making the required cash payments and share issuances earlier than the timeframes indicated above. The number of shares to be issued to JAG pursuant to the option Agreement will be determined by dividing the dollar amount of shares to be issued at any point in time by the 10-day volume weighted average closing price of the shares on the day before such issuance of such shares, subject to the policies of the Exchange. Concurrently with the exercise of the full 100% option, the Corporation has agreed to grant to JAG a 10% NPI (Net Profit Interest) royalty with respect to production from the project, with the royalty to be payable subject to the terms and conditions in the option agreement. Exercise of the option agreement is subject to receipt of all applicable regulatory approvals and consents.

The Corporation will be the operator of the project and will be responsible for carrying out all operations during the term of the option. Closing of the transactions contemplated under the option agreement is subject to the typical customary conditions, including receipt of all regulatory approvals.

As at June 30, 2022, the Corporation completed $781,341 of exploration work ($32,511 as at June 30, 2021) on the claims pertaining to the JAG option agreement.

7.1.2 Option agreement – 9293-0122 Québec Inc.

On February 3, 2021, the Corporation signed a purchase option agreement with 9293-0122 Québec Inc., who owns 9 claims and 2 mining concessions, including the site of the former Belleterre Mine. The Corporation can earn a 100% interest in the 11 mining titles by making the following cash payments and issuance of Corporation shares:

Payment Date	Amount	
November 6, 2020	Cash deposit (completed)	$10,000
At the signing of the option agreement	Cash (completed)	$120,000
March 20, 2021 or shortly after	Cash (completed)	$120,000
Transfer of claims in trust	Cash and/or share Issuance	$600,000
Transfer of claims in trust	Cash	$250,000
12 months after the fifth Payment	Cash and/or Share Issuance	$500,000
18 months after the fifth Payment	Cash and/or Share Issuance	$500,000
Total:		**$2,100,000**

The Corporation will determine, at its sole discretion, the terms of payment, either in cash or in shares or a combination of both. The deemed price of issued shares shall be equal to the 10-day volume weighted average price of Vior Shares on the Exchange at the time of issuance.

7.1.3 Option Agreement – Osisko – Blondeau-Guillet Property

On August 24, 2021, the Corporation entered into an option agreement with Osisko Mining Inc. (“Osisko”) (amended on August 24, 2022) for their Blondeau-Guillet gold property in the Belleterre region of Abitibi-Témiscamingue. The Corporation has the right until the third anniversary of the option agreement to acquire a 51% undivided interest in the property (the “First Option”) by:

a) issuing common shares to Osisko for a value totaling $225,000 in accordance with the following schedule:
   i) $75,000 on or before the first anniversary of this agreement at a price per share equal to the current market price, subject to the issuance of a maximum of 789,474 shares;
   ii) $75,000 on or before the second anniversary of this agreement at a price per share equal to the current market price, subject to the issuance of a maximum of 789,474 shares; and
   iii) $75,000 on or before the third anniversary of this agreement at a price per share equal to the current market price, subject to the issuance of a maximum of 789,474 shares.

   For this agreement, the current market price is defined as the closing price of the share on the Exchange on the earlier of i) the date the shares are issued and ii) the anniversary date of the agreement. In the event the dollar amount of the shares which may be issued is less than $75,000, then the Corporation shall pay the full amount in cash and no shares shall be issued.
b) incurring work commitments totalling at least $1,250,000 as follows:
   i) a minimum of $250,000 on or before the second anniversary of this agreement; and
   ii) and a further $1,000,000 on or before the third anniversary of this agreement.

Subject to the prior exercise of the First Option, the Corporation shall have the right to acquire an additional 24% undivided interest in the property (the “Second Option”) by incurring additional work commitments totalling at least $1,750,000 over a three-year period.

Upon satisfaction of the option, the Corporation and Osisko will form an industry standard joint venture agreement on the property with Vior acting as the operator of the Joint Venture to continue operations with respect to the property.

If either party’s joint venture interest is reduced to 10% or less, that party’s joint venture interest shall be automatically converted to a 1% net smelter return (“NSR”) royalty and the joint venture shall be automatically terminated.

7.1.4 Other acquisition agreements

On January 13, 2021, the Corporation signed an agreement to acquire from Sphinx Resources Ltd. a block of claims a payment of $10,000 and the issue of 100,000 shares of the Corporation (valued at $21,000). A 1% NSR royalty is granted to the vendor and may be repurchased for $1M.

On January 31, 2021, the Corporation signed an agreement to acquire from a syndicate of two independent prospectors a 100% interest in a group claims in return for a payment of $10,000 and the issuance of 90,000 Corporation shares (valued at $18,450). A 1% NSR royalty is granted to the vendors and may be repurchased for $1M.

On January 28, 2021, the Corporation signed an agreement with Exploration Sagidor inc. to acquire a group of claims in consideration for a payment of $20,000 and the issuance of 250,000 shares of the Corporation (valued at $51,250). A 1% NSR royalty is granted to the vendor and may be repurchased for $1M.

On January 28, 2021, the Corporation signed an agreement with a syndicate of two independent prospectors to acquire a 100% interest in a group of claims for a payment of $10,000 and the issue of 250,000 shares of the Corporation (valued at $51,250). A 1% NSR royalty is granted to the vendors and may be repurchased for $1M.

On January 18, 2021, the Corporation signed an agreement with Globex Mining Enterprises Inc. to acquire a 100% interest in a bloc of claims in consideration for the issuance of 150,000 shares of the Corporation (valued at $32,250). A 2% gross metal royalty (“GMR”) is granted to the vendor, half of which may be repurchased for $1M.

On February 22, 2021, the Corporation signed an agreement with a prospector to acquire a 100% interest in 4 claims for a payment of $1,000 and the issuance of 20,000 shares of the Corporation (valued at $4,100). A 1% NSR royalty is granted to the vendors and may be repurchased for $250,000.

7.2 Belmont

The Belmont property was acquired as part of a transaction on the Skyfall property described in note 7.8. During fiscal 2022, management decided to drop the claim and the property was written off for $29,320.

7.3 Big Island Lake

On May 1, 2018, the Corporation granted Iluka Exploration (Canada) Ltd. ("Iluka") the option to acquire an initial 51% interest in the Big Island Lake property for a consideration of exploration work totalling $200,000 before March 31, 2019, and an additional 39% interest for a consideration of exploration work totalling $1,500,000 no later than March 31, 2021. As at June 30, 2022, Iluka spent $519,448 on exploration work and had fulfilled all of its obligation to acquired a 51% interest. However, the Corporation has yet to receive notice from Iluka that the 51% interest option has been exercised. On September 21, 2022, the Corporation received a withdrawal and termination notice from Iluka.

7.4 Foothills

On March 9, 2016 (and as amended on August 25, 2016, November 3, 2016, June 21, 2018 and October 31, 2019), the Corporation granted Iluka the option to acquire an initial 51% interest in the Foothills property for a consideration of exploration work totalling $500,000 during the first year of the agreement and an additional 39% interest for a consideration of exploration work totalling $2,200,000 no later than December 31, 2020. On August 25, 2016, the Corporation amended the agreement to add 140 new claims held by the Corporation. Iluka agreed to pay $25,000 plus the acquisition cost of the claims.

As at June 30, 2022, Iluka spent $3,380,983 on exploration work and has completed the commitments to acquire a 51% option interest as well as an additional 39% option interest. However, the Corporation has yet to receive notice from Iluka to exercise these interests. On September 21, 2022, the Corporation received a withdrawal and termination notice from Iluka.

7.5 Ligneris

On June 26, 2019 (amended on August 13, 2020), the Corporation entered into an earn-in agreement with Ethos that would have allowed Ethos to earn up to a 70% interest in the Ligneris gold project. Ethos could earn a 51% interest in the Ligneris project by fulfilling $3,000,000 in exploration work ($2,223,619 was completed) and by issuing 1,000,000 Ethos shares (425,000 were issued and valued at $110,750)

On April 27, 2021, the Corporation concluded a termination and release agreement with Ethos whereby Ethos has accepted to renounce to all of its rights under the earn-in agreement. As consideration for the renunciation, the Corporation has agreed to issue to Ethos, 1,000,000 units of the Corporation. Each unit is comprised of one share and one warrant of the Corporation. Each warrant shall entitle Ethos to acquire one share at a price of $0.30 per share for a period of 36 months. In addition to any statutory hold period, Ethos agrees that the securities issued and comprising the units will also be subject to a voluntary hold period of 12 months from the date of issuance of the units. The 1,000,000 shares issued were valued at $215,000 and the estimated fair value of the 1,000,000 warrants issued was $68,000 or $0.068 per warrant issued. The fair value of the warrants was estimated using the Black Scholes valuation model with no expected dividend yield, 51.2% expected volatility, 0.5% risk-free interest rate and 3 years expected life.

7.6 Mirabelli

On September 21, 2020, the Corporation signed an agreement with Éric Desaulniers (director of the Corporation) and Antoine Cloutier, whereby the Corporation had the option to acquire the Mirabelli property, located 300 km north of Matagami, by paying $50,000 ($20,000 completed) and completing $225,000 exploration work ($71,847 completed). On September 9, 2021, the Corporation terminated the agreement and wrote off the property as of June 30, 2021 for $66,605.

7.7 Mosseau

On March 20, 2017, the Corporation entered into an acquisition agreement with Ressources Tectonic Inc. (“Tectonic”), 3421856 Canada Inc. and Alphonse Beaudoin on the Mosseau property, located east of Lebel-sur-Quévillon, Québec. As per the agreement (amended on June 20, 2018, June 20, 2019 and June 8, 2020), the Corporation had the option, until July 3, 2020, to acquire a 100% interest in 15 claims from the Mosseau property on the following terms:

	Cash payments		**Share payments**	
	Commitment	Completed	Commitment	Completed
	$	$	$	$
Upon TSX approval	90,000	90,000	65,000	65,000
On or before June 20, 2018	22,500	22,500	-	-
On or before June 20, 2019	22,500	22,500	-	-
On or before July 3, 2020 (completed July 2, 2020)	80,000	80,000	-	-
	215,000	**215,000**	**65,000**	**65,000**

As of June 30, 2019, the Corporation completed its final payment to 3421856 Canada Inc. and Alphonse Beaudoin, thereby completing the acquisition of the six claims. The Corporation extended its option on the nine remaining claims held by Tectonic until July 3, 2020 and completed the acquisition of these nine claims prior to the extension deadline. Tectonic will retain a 2% NSR royalty, half of which can be bought back for $1,500,000. A 2% NSR royalty was also granted to the syndicate of prospectors, half of which can be bought back for $1,000,000. As of July 2, 2020, the Corporation had fulfilled all of its commitments and now holds a 100% interest in the Mosseau property.

On November 16, 2021, the Corporation signed a definitive agreement with SOQUEM Inc. (“SOQUEM”) that consisted of an exchange of mining interests, whereby, the Corporation transferred its 42.3% interest in the Domergue property, presented in the other mining properties (SOQUEM 57.7% - the Corporation 42.3%) in exchange for SOQUEM’s interest in its Verneuil property, presented in the Mosseau mining property (100% - SOQUEM). There was no cash or share payment exchange considerations, however, SOQUEM and the Corporation have agreed to grant to each other a 0.5% NSR royalty on their respective assets, of which, each 0.5% NSR granted may be repurchased for the sum of a $250,000 cash payment.

7.8 Skyfall

On July 10, 2020, the Corporation signed an agreement with Globex Mining Enterprises Inc. whereby the Corporation acquired 12 claims contiguous to the Skyfall property for $5,000 and a 2% NSR royalty, of which half can be repurchased by the Corporation for $1M.

On August 18, 2020, the Corporation signed an agreement with Mark Fekete and Marty Huber whereby the Corporation acquired 35 claims contiguous to the Skyfall property for $3,300 and 100,000 shares of the Corporation (valued at $14,500). These claims are subject to a 2% NSR royalty from a previous agreement.

On November 26, 2020, the Corporation acquired from a private company, 100% interest in 103 new claims divided into 6 distinct blocks in return for a cash payment of $30,000 and the issuance of 300,000 shares of the Corporation (valued at $42,000). A 2% NSR royalty is granted to the seller, half of which may be repurchased for $1M. Following this transaction, the Corporation transferred a group of 40 claims divided into 2 claims blocks to what is now referred to as the Belmont property, located approximately 20 km northeast of Windfall.

On January 24, 2021, the Corporation acquired, from North American Exploration Inc. and a prospector, 100% interest in a block of claims in exchange for a cash payment of $7,500 and the issuance of 150,000 shares of the Corporation (valued at $27,000). A 2% NSR royalty has been granted to the vendor, half of which may be repurchased for $1M.

On March 5, 2021, the Corporation acquired 3 claims from a prospector for $1,500 and a 1% NSR royalty of which half can be repurchased by the Corporation for $500,000.

7.9 Tonya

On July 28, 2017 (amended on September 30, 2019, July 6, 2020, July 21, 2021 and August 11, 2022), Vior USA entered into an agreement with Gold Range Company, LLC, ("Gold Range") on 12 claims located in the Pershing Township in Nevada, USA. This agreement gives Vior USA the exclusive rights to explore, develop and mine the property in return for an NSR royalty of 3% in favour of Gold Range, of which two tranches of 1% may be bought back for the sum of US$1M each. Vior USA must pay in advance royalty amounts as follows: US$10,000 on the effective date of the agreement, as well as on the first and second anniversaries, US$15,000 on the third anniversary (payable in two installments) and US$35,000 on the sixth anniversary. For the subsequent years and until commercial production, an additional amount of US$10,000 will be added on each new anniversary. When production starts, the 3% NSR royalty will be paid, nevertheless Gold Range will not be receiving the royalty until the advance royalty paid by Vior USA is depleted. Vior USA must complete US$100,000 in exploration work on the property before July 28, 2023. As at June 30, 2022, a total of US$45,000 has been paid to Gold Range, which constitutes the Corporation's obligation to date.

In addition, Vior USA staked 59 claims in August 2017.

On March 14, 2018, Vior USA entered into an agreement with Michiels Family Associates, Inc. and Whitred Holdings, LLC, for the acquisition of the surface rights to the Tonya property for US$400,000 payable as follows: $20,000 upon signing of the agreement, a monthly amount of $1,000 for 24 months following the signing of the agreement, a monthly amount of $1,700 for the next 24 months following the first payment period, a monthly amount of $2,000 for the next 12 months following the second payment period and the balance of $291,200 within 10 business days after the end of the third payment period. Vior USA may terminate this agreement at any time without additional payment or penalty. If Vior USA moves from the exploration stage to the construction of a mine or mineral extraction, the remaining balance will become due and payable within 60 days of the commencement of construction of the mine or of mineral extraction. As at June 30, 2022, US$90,800 had been paid to Michiels Family Associates, Inc. and Whitred Holdings, LLC.

8. RIGHT-OF-USE ASSETS

	Buildings
	$
Cost	
As at July 1, 2021	-
Additions	239,912
As at June 30, 2022	239,912
Accumulated depreciation	
As at July 1, 2021	-
Depreciation	47,988
As at June 30, 2022	47,988
Net book value	
As at June 30, 2021	-
As at June 30, 2022	**191,924**

On July 1, 2021, the Corporation signed a building lease at Belleterre for 2 years, that includes three one-year renewal options with similar terms and conditions. The annual lease payments are $57,000. A right of use asset of $239,912, and an equivalent long term lease liability (note 10) were recorded as of July 1, 2021, using a 7% incremental borrowing rate and assuming that the renewal options would be exercised. The right-of-use asset depreciation is expensed in the consolidated statement of comprehensive income (loss).

9. LOANS

On April 22, 2020, the Corporation received a $40,000 from the Canada Emergency Business Account (“CEBA”) program. This interest-free loan is used to finance operating costs which was offered by the Canadian Government through the Corporation’s bank in the context of the Covid-19 pandemic outbreak. Repayment of the loan balance on or before December 31, 2023 will result in a loan forgiveness of $10,000. As at January 1st, 2024, the Corporation will have the option to extend the repayment of the capital up to January 31, 2025, and will benefit from an interest rate of 5%. The loan was initially recorded at a fair value of $20,160, considering the grant, the interest-free loan and the reimbursement on December 22, 2022. An effective rate of 15% was used, taking into account the rate that the Corporation would have obtained for a similar loan. The residual value of $19,840 has been recorded as a deferred government grant in the consolidated statement of financial position and will be recognized in the consolidated statement of comprehensive income (loss) at the same time as the underlying salary expense. An amortization of $4,772 ($8,730 during fiscal 2021) has been recognized in the consolidated statement of comprehensive income (loss).

On April 21, 2021, the Corporation received another $20,000 from the CEBA program under the same conditions. Repayment of the loan balance on or before December 31, 2023 will result in a loan forgiveness of $10,000. The loan was initially recorded at a fair value of $7,704, considering the grant, the interest-free loan and the reimbursement on December 22, 2023. An effective rate of 15% was used, taking into account the rate that the Corporation would have obtained for a similar loan. The residual value of $12,296 has been recorded as a deferred government grant in the consolidated statement of financial position and was entirely recognized during fiscal 2021 in the consolidated statement of comprehensive income (loss) at the same time as the underlying salary expense.

On January 12, 2022, the Canadian Government announced that the repayment deadline for the CEBA program loans to qualify for partial loan forgiveness is being extended from December 31, 2022, to December 31, 2023. An adjustment to the Corporation’s loans fair value of $4,772 was recorded as government grant and recognized in the consolidated statement of comprehensive income (loss) against salary expense. An effective rate of 15% was used, considering the rate that the Corporation would have obtained for a similar loan.

	Years ended June 30,	
	2022	**2021**
	$	$
Balance – Beginning of year	31,985	20,667
Loan received	-	20,000
Value allocated to the government grant	(4,772)	(12,296)
Accretion on loan	4,772	3,614
Balance – End of year	**31,985**	**31,985**

10. LEASE LIABILITIES

	Year ended June 30 2022
	$
Opening balance	-
Addition (note 8)	239,912
Interest charge on lease liability	15 478
Principal repayment	(57,000)
Lease liabilities	198,390
Less: current lease liabilities	(44,524)
Non-current lease liabilities	**153,866**

Payment schedule – contractual cash flows not actualized:

Less than one year	69,265
From one year to five years	174,078
Lease liability not actualized	**243,343**

The Corporation chose not to record short-term lease liabilities for lease with a term of less than 12 months. The lease payments for these short-term leases are expensed on a straight-line basis.

The expense relating to payments not included in the measurement of the lease liability is $12,004 as at June 30, 2022 ($13,905 as at June 30, 2021).

Total cash outflow for leases for the year ended June 30, 2022 amounted to $69,004 ($13,905 as at June 30, 2021).

11. SHARE CAPITAL

11.1 Authorized

The Corporation's authorized share capital consists of an unlimited number of common shares, voting and participating, without par value.

11.2 Private placement completed on July 23, 2020

On July 23, 2020, the Corporation closed a private placement totaling 13,500,000 units at a price of $0.10 per unit, for total gross proceeds of $1,350,000. Each unit consists of one share and one-half common share purchase warrant. Each whole warrant entitles the holder to acquire one share at a price of $0.15 per share for a period of 24 months ending July 23, 2022.

From the total compensation received from the units, $138,673 was allocated to warrants and $1,211,327 to common shares, according to a pro rata allocation of the estimated fair value of each of the two components. The estimated fair value of the warrants was determined using the Black-Scholes pricing model based on the following assumptions: $0.14 share price at the date of grant, no expected dividend yield, an expected volatility of 69.5%, a risk-free interest rate of 0.24% and an expected life of the warrants of 2 years.

In connection with the private placement, the Corporation paid finders' fees totaling $28,000 to arm's length third parties of the Corporation. Directors and Officers participated for $75,200 in the private placement. Share issue expenses, including the finders' fees totalled $62,650 of which $56,215 was allocated to capital stock and $6,435 to warrants.

11.3 Private placement completed on March 22, 2021 and March 30, 2021

In March 2021, the Corporation closed a private placement totaling 12,000,000 units at a price of $0.20 per unit, for total gross proceeds of $2,400,000. Osisko Mining Inc. ("Osisko") subscribed for a total of $985,000.

Each unit consists of one share and one-half common share purchase warrant. Each whole warrant entitles the holder to acquire one share at a price of $0.30 per share for a period of 24 months ending March 22, 2023 and 30, 2023 respectively. The warrants forming part of the units shall be subject to an accelerated expiry date clause whereby, at any time following the expiry of the four-months and one day hold period, should the trading price of the Common Shares at the close of the market on the Exchange be equal to or exceed $0.30 for the warrants issued on March 22, 2021 and $0.45 for the warrants issued on March 30, 2021, for 10 consecutive trading days.
In connection with the Osisko investment, the parties entered into an investor rights agreement pursuant to which Osisko was granted certain rights for as long as Osisko holds common shares equal to at least 5% of the issued and outstanding common shares of the Corporation (on a non-diluted basis), as follows:

- The right of Osisko to participate in any future equity financings to be conducted by the Corporation as to allow Osisko to maintain its equity interest at such time in the capital of the Corporation, subject to a maximum equity interest of 19.9%;
- A right of first refusal on the purchase of the Skyfall and Ligneris projects for a period of 24 months following the closing of the Osisko Investment, subject to pre-existing third-party rights on such projects;
- Commencing from the second anniversary following the closing of the Osisko Investment and continuing for as long as Osisko maintains a minimum of 5% equity interest in the Corporation, it will be entitled to designate one Osisko nominee for appointment to the Corporation's Board of Directors; and
- Furthermore, following the closing of the Osisko Investment, the Corporation will form a technical advisory committee relating to the advancement of exploration on the Skyfall and Ligneris projects. The committee will be comprised of at least two individuals appointed by Osisko and its role is to be consultative only.

From the total compensation received from the units, $59,027 has been allocated to warrants and $2,340,973 to common shares, according to a pro rata allocation of the estimated fair value of each of the two components. The estimated fair value of the warrants was determined using the Black-Scholes pricing model based on the following assumptions, considering the acceleration clause of March 30, 2021: respectively $0.215 and $0.21 share price at the date of grant, no expected dividend yield, an expected volatility of 62.8%, a risk-free interest rate of 0.25% and an expected life of the warrants of 2 years. No value was attributed to the March 22, 2021, warrants since the acceleration price is equal to the exercise price.

In connection with the private placement, the Corporation paid finders' fees totaling $11,100 to arm's length third parties of the Corporation. Directors and Officers participated for $171,000 in the private placement. Share issue expenses, including the finders' fees totalled $87,449 of which $84,766 was allocated to capital stock and $2,683 to warrants.

11.4 Flow-through private placement completed on October 21, 2021

On October 21, 2021, the Corporation completed a private placement of 5,327,628 flow-through shares at $0.28 per share for total gross proceeds of $1,491,736. On that date, the Corporation's share closed at $0.20 on the Exchange, therefore the residual value attributed to the benefit related to the flow-through shares renunciation is $0.08 for a total value of $426,210, that was credited to the liability related to the premium on flow-through shares.

In connection with the private placement, the Corporation paid finders' fees totaling $52,252. Share issue expenses, including the finders' fees totaled $69,428. Directors and Officers of the Corporation participated in the flow-through private placement for a total consideration of $222,600 under the same terms as other investors.

11.5 Flow-through private placement completed on December 22, 2021

On December 22, 2021, the Corporation completed a private placement of 1,724,519 Quebec flow-through shares at $0.29 per share and 1,253,335 National flow-through shares at $0.24 per share, for total gross proceeds of $800,910. On that date, the Corporation's share closed at $0.20 on the Exchange, therefore the residual value attributed to the benefit related to the flow-through shares renunciation is $0.09 and $0.04 respectively, for a total value of $205,340, that was credited to the liability related to the premium on flow-through shares.

In connection with the private placement, the Corporation paid cash finder's fees of $27,007 and issued compensation warrants entitling the finder to acquire 77,586 common shares at a price of $0.29 per share until December 22, 2023. The fair value of the compensation warrants was estimated at $2,017 or $0.026 per compensation warrant using the Black Scholes valuation model with: $0.20 share price at the date of grant, no expected dividend yield, 44.4% expected volatility, 1% risk-free interest rate and 2 years expected life.

Share issue expenses, including the finders' fees totaled $40,430. Directors and Officers of the Corporation participated in the flow-through private placement for a total consideration of $100,800 under the same terms as other investors.

12. WARRANTS

12.1 Warrants

The following table presents warrants activity:

	Years ended June 30,			
	2022		2021	
	Number of warrants	**Weighted average exercise price**	**Number of warrants**	**Weighted average exercise price**
		$		$
Outstanding - beginning of the year	14,875,000	0.22	4,250,000	0.14
Issued on private placements	77,586	0.29	12,750,000	0.21
Issued to acquire mining properties	-	-	1,000,000	0.30
Exercised	(1,725,000)	0.15	(375,000)	0.15
Expired	-	-	(2,750,000)	-
Outstanding - end of the year	**13,227,586**	**0.23**	**14,875,000**	**0.22**

As at June 30, 2022, outstanding warrants are as follow:

Number of warrants	Exercise price	Expiry date
	$	
4,650,000	0.15	July 23, 2022
1,500,000	0.12	December 8, 2022
2,200,000	0.30	March 22, 2023 – acceleration clause 10 days at $0.30
3,800,000	0.30	March 30, 2023 – acceleration clause 10 days at $0.45
77,586	0.29	December 22, 2023
1,000,000	0.30	June 14, 2024
13,227,586		

13. STOCK OPTIONS

The Corporation maintains a stock option plan under which certain key employees, managers, directors, consultants, service providers and investor relations service providers may be granted stock options for shares of the Corporation. On August 3, 2020, the Board of Directors approved an increase to 5,775,900 in the number of common shares reserved for issuance under the Corporation's fixed number stock option plan and this modification has been approved by the Exchange. The exercise price of any option granted under the plan shall be fixed by the Board of Directors at the time of grant and shall not be lower than the fair value of the shares. Stock Options grated expire after a maximum of ten years following the date of grant. Stock options vest when granted, or as otherwise determined by the Board of Directors.

The following table presents stock option activities:

	Years ended June 30, 2022		2021	
	Number	**Weighted average exercise price**	**Number**	**Weighted average exercise price**
		$		$
Outstanding and exercisable - Beginning of the year	4,979,000	0.12	3,690,000	0.13
Granted	255,000	0.20	1,929,000	0.16
Exercised	-	-	(400,000)	0.10
Expired	-	-	(240,000)	0.50
Outstanding - end of the year	**5,234,000**	**0.13**	**4,979,000**	**0.12**
Exercisable - end of the year	4,556,833	0.12	3,619,666	0.11

As at June 30, 2022, stock options outstanding and exercisable are as follow:

Number of stock options outstanding	Number of stock options exercisable	Exercise price	Expiry date
		$	
150,000	150,000	0.135	January 4, 2023
475,000	475,000	0.10	May 15, 2024
150,000	150,000	0.11	July 7, 2024
1,290,000	860,000	0.13	September 25, 2025
194,000	129,333	0.17	February 5, 2026
120,000	120,000	0.22	April 14, 2026
325,000	250,000	0.22	May 19, 2026
150,000	112,500	0.20	August 26, 2026
105,000	35,000	0.19	March 28, 2027
100,000	100,000	0.10	June 20, 2027
1,325,000	1,325,000	0.10	October 10, 2027
850,000	850,000	0.10	October 30, 2027
5,234,000	**4,556,833**		

On September 25, 2020, the Corporation granted to directors, officers, employees and consultants 1,290,000 stock options exercisable at $0.13 per share, valid for 5 years and vesting as to 1/3 of the number on the date of grant, 1/3 on the first anniversary of grant and the final 1/3 on the second anniversary of grant. Those options were granted at an exercise price equal to the closing market price of the shares the previous day of the grant. The estimated fair value of these stock options was $118,680 or $0.092 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model with: $0.13 share price at the date of grant, no expected dividend yield, 93.5% expected volatility, 0.3% risk-free interest rate and 5 years options expected life.

On February 5, 2021, the Corporation granted to consultants 194,000 stock options exercisable at $0.17 per share, valid for 5 years and vesting as to 1/3 of the number on the date of grant, 1/3 on the first anniversary of grant and the final 1/3 on the second anniversary of grant. The options were granted at an exercise price equal to the closing market price of the shares the previous day of the grant. The estimated fair value of these stock options was $20,370 or $0.105 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model with: $0.17 share price at the date of grant, no expected dividend yield, 77% expected volatility, 0.5% risk-free interest rate and 5 years options expected life.

On April 14, 2021, the Corporation granted to an investor relations consultant 120,000 stock options exercisable at $0.22 per share, valid for 5 years and vesting 25% every quarter. The options were granted at an exercise price equal to the closing market price of the shares the previous day of the grant. The estimated fair value of these stock options was $16,200 or $0.135 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model with: $0.22 share price at the date of grant, no expected dividend yield, 75.9% expected volatility, 0.9% risk-free interest rate and 5 years options expected life.

On May 19, 2021, the Corporation granted to an employee, an officer and an investors relations consultant 325,000 stock options exercisable at $0.22 per share, valid for 5 years and vesting 25% every quarter. The options were granted at an exercise price higher than to the closing market price of the shares the previous day of the grant. The estimated fair value of these stock options was $38,350 or $0.118 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model with: $0.22 share price at the date of grant, no expected dividend yield, 69.4% expected volatility, 1% risk-free interest rate and 5 years options expected life.

On August 24, 2021, the Corporation granted to an investor relations consultant 150,000 stock options exercisable at $0.20 per share, valid for 5 years and vesting 25% every quarter. Those options were granted at an exercise price equal to the closing market value of the shares preceding the grant. The estimated fair value of these stock options is $16,050 which is $0.107 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model, and assuming: $0.20 share price at the date of grant, no expected dividend yield, a 64% expected volatility rate, a 0.9% risk-free interest rate and a 5 year of options expected life.

On March 28, 2022, the Corporation granted to consultants 105,000 stock options exercisable at $0.19 per share, valid for 5 years and vesting as to 1/3 of the number on the date of grant, 1/3 on the first anniversary of grant and the final 1/3 on the second anniversary of grant. The options were granted at an exercise price equal to the closing market price of the shares preceding the grant. The estimated fair value of these stock options was $10,500 or $0.10 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model, and assuming: $0.19 share price at the date of grant, no expected dividend yield, a 59.9% expected volatility rate, a 2.4% risk-free interest rate and a 5 year options expected life.

The expected volatility was determined by calculating the historical volatility of the Corporation's share price back from the date of grant and for a period corresponding to the expected life of the stock options.

In total, $91,353 ($110,690 for the year ended June 30, 2021) of share-based compensation (all of which related to equity-settled share-based compensation transactions) was recorded ($70,911 in profit or loss as share-based compensation and $20,442 capitalized in mining properties) for the year ended on June 30, 2022 ($87,216 in profit or loss as share-based compensation and $23,474 capitalized in mining properties for the year ended on June 30, 2021) and credited to contributed surplus.

14. EMPLOYEE COMPENSATION

14.1 Salaries

	Years ended June 30,	
	2022	**2021**
	$	$
Salaries, fringes and bonuses	773,771	562,470
Director fees	2,700	4,500
Benefits	50,224	34,221
Government grant[1)]	(4,772)	(182,115)
	821,923	419,076
Capitalized in mining properties, invoiced to partners or expensed as search for mineral properties	(477,225)	(219,504)
Salaries and fringes disclosed on the consolidated statement of comprehensive income (loss)	**344,698**	**199,572**

1) The Corporation recorded $nil ($161,089 during fiscal 2021) of Canada Emergency Wage Subsidy ("CEWS") and $4,772 ($21,026 in fiscal 2021) in relation to the CEBA (note 9).

14.2 Compensation to key management

Key management includes the Directors, President and CEO, Executive Vice-President (since September 1, 2020), Vice-President Exploration (up to April 30, 2021) and CFO. Key management compensation and benefits include salaries, bonuses, fees and share-based payments. Compensation awarded to key management included:

	Years ended June 30,	
	2022	**2021**
	$	$
Short-term benefits		
Salaries, bonuses and directors fees	327,700	398,979
Professional fees	68,775	84,825
Professional fees recorded in share issue expenses	10,163	19,575
Long-term benefits		
Share-based compensation	23,137	65,739
Total compensation of key management	**429,775**	**569,118**

The Corporation entered into employment or consulting agreements with members of senior management that, among other things, provided that in the event of a termination without cause a compensation equivalent to between 6 to 24 months of salary (or professional fees) will be paid and between 12 to 24 months in the event of a change of control.

As of June 30, 2022, salaries due to the President are included in the accounts payable and accrued liabilities for $67,500 ($nil as at June 30, 2021).

14.3 Related party transactions

In the normal course of operations:

- A company controlled by an officer charged accounting fees totaling $111,408 ($136,386 in the year ended June 30, 2021) of which $10,163 is recorded in share issue expenses ($19,575 in the year ended June 30, 2021) and $32,470 ($31,986 in the year ended June 30, 2021) is related to her staff; and
- As at June 30, 2022, the balance due to the related parties amounted to $4,869 ($5,688 as at June 30, 2021).

15. DEFERRED TAX

The reconciliation of income taxes, calculated using the combined federal and Quebec provincial statutory tax rates, to income taxes presented in the Financial Statements is detailed as follows:

	Years ended June 30,	
	2022	**2021**
	$	$
Income (loss) before deferred tax	(2,902,222)	464,989
Combined federal and provincial income tax rate of 26.5%	768,824	(123,221)
Share issue expenses with no impact on earnings	28,578	39,776
Change in fair value (non-taxable)	(240,299)	170,191
Non-deductible expenses	(25,370)	(30,112)
Flow-through shares tax impact	198,177	-
Change in unrecognized deferred tax assets	(227,190)	(73,713)
Other	(4,285)	17,079
Recovery of deferred income taxes	**498,435**	**-**

The significant components of the deferred tax assets and liabilities are as follows:

	As at June 30 2022	**As at June 30 2021**
	$	$
Origination and reversal of temporary differences	836,095	(170,191)
Flow-through shares tax impact	198,177	-
Reversal of liability related to the premium on flow-through shares	(498,435)	-
Changes in unrecognized temporary differences	202,897	-
Change in fair value (non-taxable)	(240,299)	170,191
Recovery of deferred income taxes	**498,435**	**-**

On June 30, 2022 and 2021, unrecognized timing differences for which the Corporation did not recognized deferred tax assets:

	As at June 30, 2022		**As at June 30, 2021**	
	Federal	**Provincial**	**Federal**	**Provincial**
	$	$	$	$
Unused non-capital losses	4,193,280	5,989,743	3,636,731	4,064,486
Listed shares	22,083	22,083	-	-
Property, plant and equipment and intangible assets	154,990	154,990	148,524	148,524
Share issue expenses	176,332	176,332	131,218	131,218
Mining properties	-	265,732	-	1,111,125
Deferred SRED expenditures	39,124	57,500	39,124	57,500
Others	975	975	975	975
	4,586,784	**6,667,355**	**3,956,572**	**5,513,828**

The following differences between the carrying amounts and tax bases from timing differences, unused tax losses and unused tax credits give rise to the following recognized deferred income tax assets and liabilities, and the following unrecognized timing differences, unused tax losses and unused tax credits:

	Balance as at June 30, 2021 $	**Recognized in profit or loss** $	**Balance as at June 30, 2022** $
Recognized deferred income tax assets and liabilities			
Mining properties	(75,517)	(250,618)	(326,135)
Listed shares	(252,874)	234,446	(18,428)
Loans	(2,124)	-	(2,124)
Unused non-capital losses	330,515	16,172	346,687
	-	-	-
Reversal of liability related to the premium on flow-through shares		498,435	
Variation of deferred income tax in the consolidated statement of comprehensive income (loss)		**498,435**	

	Balance as at June 30, 2020 $	**Recognized in profit or loss** $	**Balance as at June 30, 2021** $
Recognized deferred income tax assets and liabilities			
Mining properties	-	(75,517)	(75,517)
Listed shares	(85,996)	(166,878)	(252,874)
Loans	(2,809)	685	(2,124)
Unused non-capital losses	88,805	241,710	330,515
	-	-	-
Reversal of liability related to the premium on flow-through shares		-	
Variation of deferred income tax in the consolidated statement of comprehensive income (loss)		**-**	

The Corporation has non-capital losses which are available to reduce income taxes in future years, for which no deferred tax asset has been recorded in the consolidated statement of financial position, that can be carried over the following years:

Expiry date	Federal	Provincial
	$	$
2029	-	68,420
2030	-	481,661
2032	-	375,660
2033	-	421,800
2034	-	345,199
2035	-	398,396
2036	364,602	384,018
2038	281,778	281,779
2039	619,025	617,323
2040	501,404	495,458
2041	1,088,845	1,084,484
2042	1,337,626	1,035,545
	4,193,280	**5,989,743**

As at June 30, 2022 and 2021, the non-refundable federal investment tax credits were as follows:

Expiry date	Federal
	$
2025	12,725
2026	3,597
2027	2,926
2028	4,643
2029	259
2030	1,098
	25,248

Credits can be used up to the amount of income taxes payable for those years. The non-refundable federal investment tax credits are not recognized because there is no reasonable assurance that the credits will be realized.

16. EARNINGS PER SHARE

	Years ended June 30, 2022	2021
	$	$
Income (loss)	(2,402,787)	464,989
Basic weighted average number of outstanding shares[1)]	78,651,471	60,962,952
Dilutive effect of stock options	-	4,534,000
Dilutive effect of warrants	-	7,875,000
Diluted weighted average number of common shares	78,651,471	73,371,952
Net earnings (loss) per share		
Basic	(0.031)	0.008
Diluted net loss per share	(0.031)	0.006

1) For the year ended June 30, 2022, 5,234,000 outstanding stock options and 13,227,586 outstanding warrants were excluded from the calculation of diluted earnings per share as their effect was anti-dilutive (445,000 outstanding stock options and 7,000,000 outstanding warrants for the year ended June 30, 2021).

17. CAPITAL MANAGEMENT

The Corporation considers the items included in equity for an amount of $8,037,144 ($8,536,573 as at June 30, 2021) as capital components.

The Corporation manages and adjusts its capital structure, based on the funds available to it, in order to support the acquisition and exploration of mining properties. Given that the Corporation is in the mineral exploration business, the Board of Directors does not establish quantitative return on capital criteria for its management, but rather relies on the expertise of the Corporation's management to sustain the future development of the business. In the opinion of management, working capital as at June 30, 2022, will cover the cost of current expenses and the exploration expenditures for the next year.

The properties in which the Corporation currently has an interest are in the exploration stage; as such, the Corporation is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Corporation will spend its existing working capital and raise additional amounts as needed. The Corporation will continue to assess new properties and seek to acquire an interest in additional properties if it considers there is sufficient geologic or economic potential and if it has adequate financial resources to do so. Other operations that affect equity are presented in the consolidated statements of changes in equity.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the size of the Corporation, is reasonable. There was no change in the approach used by the Corporation for its capital management for the year ended June 30, 2022. The Corporation is not subject to externally imposed capital requirements.

18. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

18.1 Financial instruments

As at June 30, 2022 and 2021, the Corporation's assets at fair value through profit or loss consist of shares listed on the Exchange. Financial assets and liabilities at amortized cost are financial instruments whose carrying value approximates their fair value due to their short-term maturity or the effective rate equivalent to the market rate.

18.2 Fair value hierarchy

Financial instruments recorded at fair value through profit or loss are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following three levels:

Level 1 – valuation based on quoted prices observed in active markets for identical assets or liabilities.
Level 2 – valuation techniques based on inputs that are quoted prices of similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; inputs other than quoted prices used in a valuation model that are observable for that instrument; and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
Level 3 – valuation techniques with significant unobservable market inputs.

A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

As at June 30, 2022 and 2021, the listed shares are recorded at fair value in the consolidated statements of financial position classified using the fair value hierarchy level 1.

As at June 30, 2022 and 2021, loans are recorded at the amortized cost in the consolidated statements of financial position. Their fair value is close to their book value, and they were classified using the fair value hierarchy level 2.

18.3 Valuation techniques that are used to measure fair value

The fair value of listed shares is established using the bid price on the most beneficial active market for these instruments that is readily available to the Corporation. When a bid price is not available, the Corporation uses the closing price of the most recent transaction on such instrument. If the instrument is subject to a restriction on the sale period, the fair value is discounted and the instrument is classified in level 2.

The fair value of the loans is determined using an estimated market rate that the Corporation could have obtained for a similar financing.

18.4 Financial risk factors

The Corporation`s activities expose it to various financial risks, such as credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of loss associated with counterparty's inability to fulfill its payment obligations. The Corporation's credit risk is primarily attributable to cash and cash equivalents, investments and accounts receivable. The maximum exposure to credit risk corresponds the amount recognized on the consolidated statement of financial position. The Corporation does not hold any collateral as security. Financial assets included in accounts receivable consist of interest and amounts receivable related to a partner. The credit risk related to these amounts is due to the partners' possible inability to settle their debts. Management believes that the credit risk with respect to financial assets included in accounts receivable is remote, as the Corporation signed agreements with major mining companies and that the credit risk related to amounts receivable from a partner is nil, these partners having already paid those amounts. The credit risk related to cash and cash equivalent and investments is limited because the Corporation deals with a Canadian bank with a high credit rating and its subsidiaries. Exposure to these risks is closely monitored and maintained within the limits stated in the investment policy of the Corporation, which is revised regularly.

Liquidity risk

Liquidity risk is the risk that the Corporation may be unable to fulfill its financial obligations related to financial liabilities. The Corporation's approach to managing liquidity risk is to ensure that it will have sufficient liquidities to meet liabilities when due. As at June 30, 2022, the Corporation had a cash and cash equivalents and investments balances of $1,825,421 ($2,449,922 at June 30, 2021) to settle current liabilities (accounts payable and accrued liabilities and deposit received for share issuance) of $556,680 ($436,320 as at June 30, 2021). All of the Corporation's current financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

Loans have a 1.5 years term.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk includes other price risks such as equity risk.

Equity market risk

Equity risk is the risk that the fair value of a financial instrument varies due to equity market changes. An investment policy is in place, and its application is monitored by the Audit Committee on a quarterly basis.

Changes in fair value of listed shares are recognized in the consolidated statement of comprehensive income (loss). A variation of 68% (10% as at June 30, 2021) in the quoted market prices as well as in the estimated value of listed shares as at June 30, 2022, would have had an impact of $565,425 ($264,508 for the year ended June 30, 2021).

19. ADDITIONAL INFORMATION ON CONSOLIDATED STATEMENTS OF CASH FLOWS

Items not impacting cash and cash equivalents:

	Years ended June 30, 2022	2021
	$	$
Related to investing activities:		
Tax credit and mining rights receivable applied against mining properties	404,735	425,010
Additions to mining properties and exploration expenditures included in accounts payable and accrued liabilities	116,261	294,354
Mining properties exchange	2,599	-
Acquisition of mining assets by issuing shares	-	544,800
Listed shares received for option payment	-	60,750
Stock-based compensation included in mining properties	20,442	23,474

20. SEGMENT REPORTING

The Corporation has one reportable operating segment being that of acquisition and exploration of mining properties. The Corporation holds these following mining properties in Canada and in the United States:

	As at June 30, 2022	As at June 30, 2021
	$	$
Canada		
Acquisition costs	1,436,258	1,380,696
Exploration costs	3,671,391	1,498,758
Total	5,107,649	2,879,454
United States		
Acquisition costs	343,318	296,268
Exploration costs	159,574	159,574
Total	502,892	455,842

21. CONTINGENCIES AND COMMITMENTS

The Corporation is partially financed through the issuance of flow-through shares and, according to tax rules regarding this type of financing, the Corporation is engaged in realizing mining exploration work.
These tax rules also set deadlines for carrying out the exploration work, which must be performed no later than the earlier of the following dates:

- Two years following the flow-through financings;
- One year after the Corporation has renounced the tax deductions relating to the exploration work.

However, there is no guarantee that the Corporation's exploration expenses will qualify as Canadian exploration expenses, even if the Corporation is committed to taking all the necessary measures in this regard. Refusal of certain expenses by the tax authorities would have a negative tax impact for investors.

During the year ended June 30, 2022, the Corporation received an amount of $2,292,646 following flow-through private placements ($nil during the year ended June 30, 2021) for which the Corporation renounced tax deductions on December 31, 2021.

As at June 30, 2022, the balance on flow-through financing not spent represents $428,926 as at June 30, 2022 ($nil as at June 30, 2021).

22. SUBSEQUENT EVENTS

22.1 Mining properties

On May 20, 2022, the Corporation signed an agreement with a prospector to acquire a 100% interest in 24 claims next to the Skyfall property, by issuing 40,000 shares of the Corporation issued in July 2022 (valued at $5,200).

On September 8, 2022, the Corporation signed an agreement with Osisko to acquire a 100% interest in 83 claims next to the Skyfall property, by issuing 107,142 shares of the Corporation (valued at $11,786). Some claims are subject to a 1% NSR royalty.

22.2 Private placement

In July 2022, the Corporation closed a private placement totaling 8,722,614 units at a price of $0.13 per unit, for total gross proceeds of $1,133,940.

Each unit consists of one share and one-half common share purchase warrant. Each whole warrant entitles the holder to acquire one share at a price of $0.21 per share for a period of 30 months. The warrants forming part of the units shall be subject to an accelerated expiry date clause whereby, at any time following the expiry of the four-months and one day hold period, should the trading price of the shares at the close of the market on the Exchange be equal to or exceed $0.35 for 10 consecutive trading days. Related parties participated for $271,440 in the private placement including Osisko's participation for $249,990.

22.3 Stock options grant

On October 11, 2022, the Corporation granted to an employee 120,000 stock options exercisable at $0.10 per share, valid for 5 years and vesting as to 1/3 of the number on the date of grant, 1/3 on the first anniversary of grant and the final 1/3 on the second anniversary of grant. The options were granted at an exercise price equal to the closing market price of the shares preceding the grant. The estimated fair value of these stock options was $5,760 or $0.048 per stock option. The fair value of the options granted was estimated using the Black Scholes valuation model with: $0.10 share price at the date of grant, no expected dividend yield, 51.7% expected volatility, 3.2% risk-free interest rate and 5 years options expected life.