Nevada King Gold Corp.
(formerly Victory Metals Inc.)

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED MARCH 31, 2021 AND 2020

(Expressed in Canadian Dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Nevada King Gold Corp. (formerly Victory Metals Inc.)

Opinion

We have audited the accompanying consolidated financial statements of Nevada King Gold Corp. (formerly Victory Metals Inc.) (the "Company"), which comprise the consolidated statements of financial position as at March 31, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, cash flows, and changes in equity for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

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

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes 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 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, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

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

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

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

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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

The engagement partner on the audit resulting in this independent auditor’s report is Stephen Hawkshaw.

Davidson & Company LLP

Vancouver, Canada

Chartered Professional Accountants

July 26, 2021

Nevada King Gold Corp. (formerly Victory Metals Inc.)
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

	Note	March 31, 2021	March 31, 2020
		$	$
ASSETS			
Current assets			
Cash		987,697	1,664,164
Restricted cash	3	18,043,796	-
GST receivable		70,362	11,974
Prepaid expenses		53,550	27,459
Total current assets		19,155,405	1,703,597
Non-current assets			
Exploration and evaluation assets	4	8,106,681	7,627,016
Reclamation bonds	4	412,675	70,935
Other assets	3	886,665	-
		9,406,021	7,697,951
TOTAL ASSETS		28,561,426	9,401,548
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities		156,432	124,897
Total Liabilities		156,432	124,897
SHAREHOLDERS' EQUITY			
Share capital	5	40,904,144	37,440,172
Reserves	5	2,010,407	2,433,604
Subscription receipts	3	18,043,796	-
Deficit		(32,553,353)	(30,597,125)
Total Shareholders' Equity		28,404,994	9,276,651
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		28,561,426	9,401,548

NATURE OF OPERATIONS AND GOING CONCERN UNCERTAINTY (Note 1)
SUBSEQUENT EVENTS (Note 11)

These consolidated financial statements are authorized for issue by the Board of Directors on July 26, 2021. They are signed on the Company's behalf by:

"Craig Roberts" , Director

"*Doug Forster*" , Director

Nevada King Gold Corp. (formerly Victory Metals Inc.)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

	Note	Year ended March 31, 2021	2020
		$	$
EXPENSES			
Advertising		69,582	97,500
Consulting fees		330,948	276,000
Management and director fees	6	1,387,916	1,495,855
Office and sundry		76,409	166,406
Professional fees		45,641	58,746
Share-based compensation	5,6	-	331,406
Transfer agent and regulatory fees		32,866	58,040
Travel		-	104,987
		(1,943,362)	(2,588,940)
Other items			
Gain on disposal of exploration and evaluation assets	4	-	10,407
Foreign exchange loss		(12,866)	(26,872)
Interest income		-	56,245
		(12,866)	39,780
Loss and comprehensive loss		(1,956,228)	(2,549,160)
Basic and diluted loss per common share		(0.02)	(0.03)
Weighted average number of common shares outstanding		95,332,287	90,140,841

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

Nevada King Gold Corp. (formerly Victory Metals Inc.)
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

	Year ended March 31, 2021	2020
	$	$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	(1,956,228)	(2,549,160)
Items not affecting cash:		
Share-based compensation	-	331,406
Gain on disposal of exploration and evaluation assets	-	(10,407)
Unrealized foreign exchange (gain) loss	18,345	(910)
Changes in non-cash working capital items:		
GST receivable	(58,388)	6,623
Prepaid expenses	(28,606)	114,648
Accounts payable and accrued liabilities	119,124	5,010
Cash used in operating activities	(1,905,753)	(2,102,790)
CASH FLOWS FROM INVESTING ACTIVITIES		
Restricted cash	(18,043,796)	-
Expenditures for exploration and evaluation assets, net of recoveries	(587,169)	(5,078,366)
Proceeds on disposal of exploration and evaluation assets	-	139,640
Payment of reclamation bonds	(355,363)	(70,935)
Redemptions of short-term investments	-	3,000,000
Cash used in investing activities	(18,986,328)	(2,009,661)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements	2,200,000	4,118,000
Share issuance costs	(34,225)	-
Prepaid transaction costs and finders fees	(868,957)	-
Subscription receipts	18,043,796	-
Proceeds from exercise of stock options	875,000	-
Cash provided by financing activities	20,215,614	4,118,000
Change in cash during the year	(676,467)	5,549
Cash, beginning of year	1,664,164	1,658,615
Cash, end of year	987,697	1,664,164
Supplemental Cash Flow Information:		
Shares issued as finder fees for private placements	-	180,900
Other assets included in accounts payable and accrued liabilities	15,193	-
Exploration expenditures included in accounts payable and accrued liabilities	16,673	119,455

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

Nevada King Gold Corp. (formerly Victory Metals Inc.)
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

		Share Capital			Reserves				
	Note	Number of shares outstanding	Amount	Share subscriptions	Equity settled share-based payments	Contributed surplus	Total reserves	Deficit	Total shareholders' equity
			$	**$**	**$**	**$**	**$**	**$**	**$**
Balance at March 31, 2019		84,717,800	33,322,172	-	2,102,198	-	2,102,198	(28,047,965)	7,376,405
Issuance of common shares pursuant to private placement	5	6,146,268	4,298,900	-	-	-	-	-	4,298,900
Finders shares issued in private placement	5	270,000	(180,900)	-	-	-	-	-	(180,900)
Share-based compensation	5	-	-	-	331,406	-	331,406	-	331,406
Loss for the year		-	-	-	-	-	-	(2,549,160)	(2,549,160)
Balance at March 31, 2020		**91,134,068**	**37,440,172**	**-**	**2,433,604**	**-**	**2,433,604**	**(30,597,125)**	**9,276,651**
Issuance of common shares pursuant to private placement	5	5,500,000	2,200,000	-	-	-	-	-	2,200,000
Share issuance costs	5	-	(34,225)	-	-	-	-	-	(34,225)
Issuance of common shares pursuant to exercise of stock options	5	2,500,000	1,298,197	-	(423,197)	-	(423,197)	-	875,000
Reallocation of fair value of expired stock options		-	-	-	(11,879)	11,879	-	-	-
Subscription receipts	3	-	-	18,043,796	-	-	-	-	18,043,796
Loss for the year		-	-	-	-	-	-	(1,956,228)	(1,956,228)
Balance at March 31, 2021		**99,134,068**	**40,904,144**	**18,043,796**	**1,998,528**	**11,879**	**2,010,407**	**(32,553,353)**	**28,404,994**

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

1. NATURE OF OPERATIONS AND GOING CONCERN UNCERTIANTY

Nevada King Gold Corp. (formerly Victory Metals Inc.) (the "Company") was originally incorporated on October 20, 2000, under the Business Corporations Act in the Province of Alberta and on May 25, 2012, the Company was continued as a British Columbia corporation under the Business Corporations Act in the Province of British Columbia. The address of the Company's registered office is Suite 2200 – 885 West Georgia Street, Vancouver, BC, Canada V6C 3E8.

Subsequent to the year end, on April 7, 2021, the Company acquired all of the issued and outstanding shares of Nevada King Mining Ltd. and changed its name to Nevada King Gold Corp. (Note 11).

The Company is a mineral exploration company engaged in the acquisition, exploration and evaluation of resource properties in Nevada, United States of America. The Company's exploration and evaluation assets presently have no proven or probable reserves, and on the basis of information to date, it has not yet determined whether these properties contain economically recoverable resources. The recoverability of amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

At March 31, 2021, the Company had cash and restricted cash totalling $19,031,493 and, subsequent to March 31, 2021, completed a private placement financing for proceeds of $3,600,000 (Note 11). As a result, the Company believes that it has adequate cashflow to meet obligations and carry out planned activities for the next twelve months.

On March 11, 2020, the World Health Organization declared the global outbreak of a novel coronavirus identified as "COVID-19" a global pandemic. In order to combat the spread of COVID-19, governments worldwide have enacted emergency measures including travel bans, legally enforced or self-imposed quarantine periods, social distancing and business and organization closures. These measures have caused material disruptions to businesses, governments and other organizations resulting in an economic slowdown and increased volatility in national and global equity and commodity markets. Central banks and governments, including Canadian federal and provincial governments, have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of any interventions. Significant economic and social impacts have limited the Company's ability to continue its exploration and evaluation activities as intended. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operations in future periods.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The Company's consolidated financial statements, including comparatives, have been prepared in accordance with and using accounting policies in compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), effective for the Company's reporting for the year ended March 31, 2021.

a) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified as financial instruments at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

Certain comparative figures have been restated to conform to the current year's presentation.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiary Brownstone Ventures (US) Inc. ("Brownstone"), an exploration company incorporated in Delaware, USA.

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the financial statements. Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group 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. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

c) Foreign currencies

The presentation and functional currency of the Company and its subsidiary is considered to be the Canadian dollar. Transactions in currencies other than the Canadian dollar are recorded at the rates of exchange prevailing on the dates of transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

d) Financial instruments

The following table sets out the classification of the Company's financial instruments:

	Classification
Financial Assets	
Cash	Amortized cost
Restricted cash	Amortized cost
GST receivable	Amortized cost
Financial Liabilities	
Accounts payable and accrued liabilities	Amortized cost

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

Financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows. Financial assets that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest are measured at amortized cost at the end of the subsequent accounting periods. All other financial assets including equity investments are measured at their fair values at the end of subsequent accounting periods, with any change taken through profit or loss or other comprehensive income.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in profit or loss for the period. Financial assets and liabilities classified at amortized cost are measured at amortized cost using the effective interest method. An "expected credit loss" impairment model applies which

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

d) Financial instruments (continued)

requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the period. In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

e) Exploration, evaluation and development expenditures

Costs incurred before the Company has obtained the legal right to explore are expensed as incurred. Once the legal right to explore has been acquired, the Company capitalizes the costs of acquiring, maintaining its interest in, exploring and evaluating mineral properties until such time as the lease expires, it is abandoned, sold or considered impaired in value. Indirect administrative costs are expensed as incurred. Exploration and evaluation properties are not amortized during the exploration and evaluation stage.

At each reporting date the carrying amounts of the Company's exploration and evaluation assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period.

For the purposes of impairment testing, exploration and evaluation assets are allocated to cash generating units to which the exploration activity relates. Each of the Company's properties is considered to be a separate cash generating unit. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash- generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

f) Decommissioning liabilities

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment when those obligations result from the acquisition, construction, development or normal operation of assets. The net present value of future rehabilitation costs is capitalized to exploration and evaluation assets along with a corresponding increase in the rehabilitation provision in the period incurred.

Pre-tax discount rates that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as exploration and evaluation assets. The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to exploration and evaluation assets and the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates. Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the period. There are no decommissioning liabilities for the periods presented.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Impairment

At the end of each reporting period the carrying amounts of the Company's long-lived assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use.

Fair value is determined as the amount that would be obtained by the sale of the asset in any arm's length transaction between knowledgeable and willing parties. Fair value of mineral assets is generally determined as the present value of the estimated cash flows expected to arise from the continued use of the asset, including an expansion projects. Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and from its ultimate disposal. Impairment is assessed at the level of cash-generating units or "CGUs", which are identified as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets.

Non-financial assets that have been impaired are tested for possible reversal of the impairment whenever events or changes in circumstances indicate that the impairment may have reversed. When a reversal of a previous impairment is recorded, the reversal amount is adjusted for depreciation that would have been recorded had the impairment not taken place.

f) Share-based payment transactions

Share-based payments to employees are measured at the fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to equity settled share-based payments reserve.

Consideration received on the exercise of stock options is recorded as share capital and the related equity settled share-based payments reserve is transferred to share capital. Charges for options that are forfeited before vesting are reversed from equity settled share-based payment reserve and added to contributed surplus.

g) Earnings and loss per share

The Company presents basic and diluted earnings and loss per share data for its common shares, calculated by dividing the earnings attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. Diluted earnings or loss per share does not adjust the earnings or loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive.

h) Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Income taxes (continued)

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. However, deferred tax liabilities are not recognized if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. 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 year end applicable to the period of expected realization or settlement.

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.

i) Significant accounting estimates and judgments

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates.

These financial statements include estimates which, 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 future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at year end that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to the following:

(i) Critical accounting estimates

- The valuation of share-based payments. The fair value of common share purchase options granted is determined at the issue date using the black-Scholes pricing model. The fair value of common shares issued for finders' fees are based on the closing price of the transaction those fees pertain to.

- The net carrying value of each exploration and evaluation asset is reviewed regularly for conditions that suggest impairment. This review requires significant judgment. Factors considered in the assessment of asset impairment include, but are not limited to, whether there has been a significant adverse change in the legal, regulatory, accessibility, title, environmental or political factors that could affect the property's value; whether there has been an accumulation of costs significantly in excess of the amounts originally expected for the property's acquisition, development or cost of holding; and whether exploration activities produced results that are not promising such that no more work is being planned in the foreseeable future. If impairment is determined to exist, a formal estimate of the recoverable amount is made, and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

- The determination of tax expense for the period and deferred tax assets and liabilities involves significant estimation and judgment by management. In determining these amounts, management interprets tax legislation in a variety of jurisdictions and make estimates of the

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

(i) Critical accounting estimates (continued)

expected timing of the reversal of deferred tax assets and liabilities. Management also makes estimates of future earnings which affect the extent to which potential future tax benefits may be used. The Company is subject to assessments by various taxation authorities, which may interpret legislation differently. These differences may affect the final amount or the timing of the payment of taxes. We provide for such differences where known based on our best estimate of the probable outcome of these matters.

(ii) Critical accounting judgments

- Presentation of the consolidated financial statements as a going concern which assumes that the Company will continue in operation for the foreseeable future, obtain additional financing as required, and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due.

- The analysis of the functional currency for each entity of the Company. In concluding that the Canadian dollar is the functional currency of the parent and its subsidiary company, management considered the currency that mainly influences the cost of providing goods and services in each jurisdiction in which the Company operates. As no single currency was clearly dominant the Company also considered secondary indicators including the currency in which funds from financing activities are denominated and the currency in which funds are retained.

- Management is required to assess impairment in respect to the Company's intangible mineral property interests. The triggering events are defined in IFRS 6. In making the assessment, management is required to make judgments on the status of each project and the future plans towards finding commercial reserves. Management has determined that there were no indicators of impairment as at March 31, 2021.

j) Changes in accounting standards and interpretations

As of the date of authorization of these consolidated financial statements, certain new standards and amendments to existing standards have been published by the IASB that are not yet effective and have not been adopted early by the Company. Management anticipates that all relevant pronouncements will be adopted in the Company's accounting policies for the first period beginning after the effective date of the pronouncement. New standards, interpretations and amendments are either not adopted or are not expected to have a material impact on the Company's consolidated financial statements.

3. ACQUISITION OF NEVADA KING MINING LTD.

On December 14, 2020, the Company entered into a definitive arrangement agreement (the "Agreement") with Nevada King Mining Ltd. ("Nevada King"). Pursuant to the Agreement, the Company will acquire all of the issued and outstanding common shares of Nevada King by way of statutory plan of arrangement (the "Arrangement") whereby all of the outstanding common shares of Nevada King will be exchanged for common shares of the Company. The shareholders of Nevada King will hold 50% of the issued and outstanding common shares of the Company following completion of the Arrangement.

The completion of the Arrangement was subject to the completion of a minimum $8 million non-brokered private placement (the "Private Placement") by the Company.

(Expressed in Canadian Dollars Unless Otherwise Noted)

3. ACQUISITION OF NEVADA KING MINING LTD. (continued)

As at March 31, 2021, the Company completed the first and second tranches of the Private Placement of 32,806,902 subscription receipts at a price of $0.55 per subscription receipt for gross proceeds of $18,043,796.

Each subscription receipt entitles the holder to receive one post-Arrangement share of the Company immediately after closing of the Arrangement. Proceeds of the Private Placement are held in escrow pending the completion of the Arrangement.

See Note 11.

As at March 31, 2021, other assets consists of the following:

	March 31, 2021 $	March 31, 2020 $
Share issuance costs in connection with the Private Placement	344,364	-
Costs incurred in connection with the Agreement	539,786	-
Other	2,515	-
Other assets	886,665	-

Upon completion of the Arrangement, share issuance costs in connection with the Private Placement will be netted against the proceeds of common shares issued and costs incurred in connection with the Agreement will be recorded as transaction costs.

4. EXPLORATION AND EVALUATION ASSETS

The schedules below summarize the carrying costs of acquisition and exploration costs incurred to date for each exploration and evaluation asset that the Company is continuing to explore as at March 31, 2021 and 2020:

Year ended March 31, 2021	Iron Point (i) $
Acquisition Costs	
Balance as at March 31, 2020	988,701
Additions	
Land claim payments and acquisition costs	103,027
Balance as at March 31, 2021	1,091,728
Exploration costs	
Balance as at March 31, 2020	6,638,315
Assay & sampling	11,195
Environmental	27,074
Exploration	8,923
Metallurgy	263,569
PEA/Resource Estimate	37,751
Other	28,126
Balance as at March 31, 2021	7,014,953
Exploration and evaluation assets March 31, 2021	8,106,681

(Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Year ended March 31, 2020	Iron Point (i) $	Other (ii) $	Total $
Acquisition Costs			
Balance as at March 31, 2019	855,023	16,561	871,584
Additions			
Land claim payments and acquisition costs	133,678	102,046	235,724
Disposals			
Sale of non-Iron Point assets	-	(118,607)	(118,607)
Balance as at March 31, 2020	988,701	-	988,701
Exploration costs			
Balance as at March 31, 2019	2,228,345	-	2,228,345
Drilling	3,298,841	-	3,298,841
Environmental	167,569	-	167,569
Exploration	125,989	-	125,989
Geochemistry	74,258	-	74,258
GIS	15,537	-	15,537
Metallurgy	496,003	-	496,003
Resource Estimate	100,782	-	100,782
Reclamation	8,803	-	8,803
Staking	1,797	3,992	5,789
Other	120,391	-	120,391
Sale of Evana assets	-	(3,992)	(3,992)
Balance as at March 31, 2020	6,638,315	-	6,638,315
Exploration and evaluation assets March 31, 2020	7,627,016	-	7,627,016

(i) Iron Point Project

As at March 31, 2021, the Company owns 730 unpatented lode claims (2020 – 730) located in the Iron Point mining district, in Humboldt County, Nevada (USA).

On October 10, 2018, the Company entered into an option agreement with a third party to earn a 100% interest in one unpatented Claim (Silver Coin). The Company agreed to the following payments:

Payment due date	Amount US$
Five days from October 10, 2018 (paid)	50,000
October 24, 2019 (paid)	50,000
October 24, 2020 (paid)	50,000
October 24, 2021	150,000

On October 24, 2018, the Company entered into an option agreement with Canarc Resources Corp. to earn 100% interest in four patented Claims (Silver King). The Company agreed to grant a 2% net smelter return royalty ("NSR") upon commencement of commercial production for minerals from these claims and the following payments:

(Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

(i) Iron Point Project (continued)

Payment due date	Amount US$
Five days from October 24, 2018 (paid)	12,000
October 24, 2019 (paid)	12,000
October 24, 2020 (paid)	12,000
October 24, 2021	12,000
October 24, 2022	12,000
October 24, 2023	12,000
October 24, 2024	12,000
October 24, 2025	12,000
October 24, 2026	12,000
October 24, 2027	12,000
October 24, 2028	120,000

The Company has the option of purchasing half of the 2% NSR for US$1,000,000.

On May 16, 2019, the Company entered into an option agreement (the "Agreement") with Ethos Gold Corp. ("Ethos), whereby Ethos could spend $5,000,000 over three years, with minimum expenditures of $1,000,000 to be spent prior to the end of the first anniversary of the Agreement, to earn an undivided 50% interest in the precious metal rights at the Iron Point Vanadium Project, Nevada. Once Ethos had incurred $5,000,000, a 50%/50% joint venture would be formed between the Company and Ethos, specific to the precious metal rights.

During the year ended March 31, 2021, the Agreement was amended whereby Ethos can spend $5,000,000 over five years with expenditures in an aggregate amount equal to at least US$250,000 each year over the term of the Agreement.

Subsequent to March 31, 2021, the Company terminated the Agreement with Ethos (see Note 11).

As at March 31, 2021, the Company has paid $412,675 (2020 - $70,935) for reclamation bonds with the Bureau of Land Management ("BLM"). These bonds provide surface reclamation coverage for operations conducted by the Company on lands administered by the BLM. These bonds are fully refundable when the deposit is no longer needed.

Other Projects

During the year ended March 31, 2020, the Company recognized a gain on disposal of certain other Nevada, USA exploration and evaluation assets of $10,407. The Company received total cash proceeds of US$100,000 and derecognized exploration and evaluation assets at their carrying value of $122,599. The Company retained a 1% NSR on the project which can be repurchased by the buyer for US$500,000.

5. SHARE CAPITAL AND RESERVES

Authorized Share Capital

At March 31, 2021, the authorized share capital comprised an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Details of Issues of Common Shares in Fiscal 2021

On October 8, 2020, the Company completed a non-brokered private placement financing of 5,000,000 common shares at a price of $0.40 per share for gross proceeds of $2,000,000. The Company recorded $20,388 of share issuance costs in connection with the private placement financing.

On October 29, 2020, the Company completed a non-brokered private placement financing of 500,000 common shares at a price of $0.40 per share for gross proceeds of $200,000. The Company recorded $13,837 of share issuance costs in connection with the private placement financing.

During the year ended March 31, 2021, 2,500,000 stock options were exercised at a price of $0.35 per share for gross proceeds of $875,000.

Details of Issues of Common Shares in Fiscal 2020

On October 24, 2019, the Company completed a non-brokered private placement financing of 746,268 common shares at a price of $0.67 per share for gross proceeds of $500,000.

On May 28, 2019, the Company completed a non-brokered private placement financing of 5,400,000 common shares at a price of $0.67 per share for gross proceeds of $3,618,000. The Company paid finder's fees of 270,000 common shares valued at $180,900 to certain finders in connection with the private placement financing.

Share Purchase Option Compensation Plan

The Company has a share purchase option plan (the "Plan") approved by the Company's shareholders that allows it to grant share purchase options, subject to regulatory terms and approval, to its officers, directors, employees and service providers. The Plan is based on the maximum number of eligible shares equaling a rolling percentage of 10% of the Company's outstanding common shares, calculated from time to time. If outstanding share purchase options are exercised or expire, and/or the number of issued and outstanding common shares of the Company increases, then the share purchase options available to grant under the Plan increase proportionately.

The exercise price of each share purchase option is set by the Board of Directors at the time of grant but cannot be less than the market price less allowable discounts in accordance with the policies of the TSX-V. Share purchase options granted generally vest immediately, are subject to a four-month hold period and are generally exercisable for a period of up to five years.

(Expressed in Canadian Dollars Unless Otherwise Noted)

5. SHARE CAPITAL AND RESERVES (continued)

Share Purchase Option Compensation Plan (continued)

The continuity of share purchase options for the year ended March 31, 2021 is as follows:

Expiry date	Exercise price	March 31, 2020	Exercised	Cancelled/ expired	March 31, 2021	Options exercisable
January 31, 2021	$ 0.35	2,500,000	(2,500,000)	-	-	-
February 5, 2021	$ 0.35	70,000	-	(70,000)	-	-
January 31, 2024	$ 0.35	5,900,000	-	-	5,900,000	5,900,000
June 17, 2024	$ 0.63	560,000	-	-	560,000	560,000
		9,030,000	(2,500,000)	(70,000)	6,460,000	6,460,000
Weighted average exercise price		$ 0.37	$ 0.35	$ 0.35	$ 0.37	$ 0.37
Weighted average contractual remaining life (years)		3.01	-	-	2.87	2.87

The continuity of share purchase options for the year ended March 31, 2020 is as follows:

Expiry date	Exercise price	March 31, 2019	Granted	March 31, 2020	Options exercisable
January 31, 2021	$ 0.35	2,500,000	-	2,500,000	2,500,000
February 5, 2021	$ 0.35	70,000	-	70,000	70,000
January 31, 2024	$ 0.35	5,900,000	-	5,900,000	5,900,000
June 17, 2024	$ 0.63	-	560,000	560,000	560,000
		8,470,000	560,000	9,030,000	9,030,000
Weighted average exercise price		$ 0.35	$ 0.63	$ 0.37	$ 0.37
Weighted average contractual remaining life (years)		3.93	5.00	3.01	3.01

The weighted average fair value of share purchase options granted during the year ended March 31, 2021 is $Nil (year ended March 31, 2020 - $0.59).

Options were priced based on the Black-Scholes option pricing model using the following weighted average assumptions to estimate the fair value of options granted:

Year ended	March 31, 2021	March 31, 2020
Risk-free interest rate	-	1.34%
Expected life of options in years	-	5.0
Expected share price volatility	-	166%
Grant date share price	-	$0.63
Expected forfeiture rate	-	-
Expected dividend yield	-	Nil

The Company did not have any warrants outstanding as at March 31, 2021 or 2020.

(Expressed in Canadian Dollars Unless Otherwise Noted)

6. RELATED PARTY BALANCES AND TRANSACTIONS

Key management personnel compensation

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

Year ended	March 31, 2021	March 31, 2020
	$	$
Management fees paid to a company controlled by the Executive Chairman	480,402	519,250
Management fees paid to a company controlled by the Chief Executive Officer	429,493	466,866
Management fees paid to the Chief Financial Officer	358,021	389,739
Director fees	120,000	120,000
Share-based compensation paid to officers and directors	-	180,498
	1,387,916	1,676,353

7. SEGMENTED INFORMATION

The Company's operations are limited to a single reportable segment, being mineral exploration and evaluation. All of the Company's evaluation and exploration assets are located in Nevada, USA.

8. INCOME TAXES

The recovery of income taxes shown in the consolidated statements of loss (income) and comprehensive loss (income) differs from the amounts obtained by applying statutory rates to the loss before provision for income taxes due to the following:

	2021	**2020**
	$	**$**
Loss	(1,956,228)	(2,549,160)
Statutory income tax rate	27%	27%
Expected income tax recovery	(528,000)	(688,000)
Non-deductible differences	-	94,000
Change in statutory tax, exchange rates and other	443,000	(229,000)
Share issuance costs	(9,000)	(49,000)
Adjustment to prior year provision versus statutory returns	(116,000)	(44,000)
Change in unrecognized deductible temporary differences	210,000	916,000
Total income tax recovery	-	-

(Expressed in Canadian Dollars Unless Otherwise Noted)

8. INCOME TAXES (Continued)

Deferred income taxes reflect the net tax effects of differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred tax assets and liabilities are as follows:

	2021	2020
	$	$
Deferred tax assets		
Unrecognized deferred income tax assets	(5,482,000)	(5,272,000)
Other	57,000	60,000
Exploration and evaluation assets	(89,000)	(89,000)
Non-capital loss carry-forwards	5,514,000	5,301,000
	-	-

As at March 31, 2021, the Company has Canadian non-capital loss carry forwards of $6,893,562 that may be available for tax purposes. The Company's non-capital losses expire as follows:

Expiry Date	$
2033	160,730
2034	148,309
2035	154,168
2036	150,974
2037	154,683
2038	96,874
2039	948,521
2040	2,229,304
2041	2,849,999
	6,893,562

At March 31, 2021, the Company had net operating loss carry forwards for United States income tax purposes of approximately $17,397,439 (US$13,795,338) (2020 – $20,601,163 (US$14,538,936)) which, if not utilized to reduce United States taxable income in future periods, expire through the year 2041. These available tax losses may only be applied to offset future taxable income from the Company's current US subsidiary.

9. FINANCIAL INSTRUMENTS

The Company thoroughly examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include credit risk, liquidity risk, currency risk, and interest rate risk. Where material, these risks are reviewed and monitored by the Board of Directors.

(a) Fair Values

The Company's financial assets and liabilities are measured and recognized according to a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets and liabilities and the lowest priority to unobservable inputs. The three levels of fair value hierarchy are as follows:

9. FINANCIAL INSTRUMENTS (continued)

(a) Fair Values (continued)

Level 1 – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.

Level 2 – Quoted prices in markets that are not active, or inputs that are observable, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 – Prices or valuation techniques that require inputs that are both significant to the fair value measurement and unobservable (supported by little or no market activity).

The Company does not have financial instruments carried at fair value.

The Company's financial assets consist of cash and restricted cash. The carrying values of cash, restricted cash and accounts payable approximate their fair values due to the short-term maturity of these financial instruments.

(b) Financial Instrument Risk Exposure

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company does not have financial instruments that potentially subject the Company to credit risk. The Company’s credit risk has not changed significantly from the prior year. The Company places its cash with financial institutions with high credit ratings, the credit risk is minimal.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has in place a planning and budgeting process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company has historically relied on issuance of shares to fund exploration programs and may require doing so again in the future. The Company has $156,432 in accounts payable and accrued liabilities that are due within one year of the date of the statement of financial position.

Market risk

(i) Currency risk

Financial instruments that impact the Company’s net earnings or other comprehensive income due to currency fluctuation include cash and accounts payable and accrued liabilities denominated in US dollars. The sensitivity of the Company’s net earnings and other comprehensive income to a change in the exchange rate between the United States dollar and the Canadian dollar at March 31, 2021 would change the Company’s loss by $16,545 as a result of a 10% change in the value of the CAD dollar relative to the US dollar.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. As the Company deposits its short-term investments into fixed rate guaranteed investment certificates with one-year maturities or less, the Company is not exposed to interest rate risk.

9. FINANCIAL INSTRUMENTS (continued)

***Market risk** (continued)*

(iii) Price risk

Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company's property has exposure to predominantly vanadium. Commodity prices, especially vanadium, greatly affect the value of the Company and the potential value of its property and investments.

10. CAPITAL MANAGEMENT

The Company's objectives when managing capital are:

- To safeguard its ability to continue as a going concern in order to develop and operate its current projects;
- Pursue strategic growth initiatives; and
- To maintain a flexible capital structure which lowers the cost of capital.

In assessing its capital structure, the Company includes in its assessment the components of shareholders' equity. In order to facilitate the management of capital requirements, the Company prepares annual expenditure budgets and continuously monitors and reviews actual and forecasted cash flows. The annual and updated budgets are monitored and approved by the Board of Directors. To maintain or adjust the capital structure, the Company may, from time to time, issue new shares, issue new debt, repay debt or dispose of non-core assets. The Company's current capital resources are insufficient to carry out exploration plans and support operations through the current operating period. The Company is dependent upon the ability to raise additional funding to meet its obligations and commitments.

The Company is not subject to any capital requirements imposed by any regulator.

There were no changes in the Company's approach to capital management during the year ended March 31, 2021.

11. SUBSEQUENT EVENTS

(a) On April 7, 2021, the Company completed the plan of arrangement for the acquisition of 100% of the common shares of Nevada King. Subsequently, 32,806,902 subscription receipts were converted into 32,806,902 common shares of the Company and the restricted cash generated by the private placement financing was released from escrow. The acquisition has been accounted for under IFRS 2 as an asset acquisition.

(b) The Company has entered into an agreement with Ethos Gold Corp. ("Ethos") whereby the Company will issue 6,500,000 common shares to Ethos, subject to TSX Venture Exchange approval, in exchange for Ethos renouncing all of its rights under an earn-in agreement on the Iron Point project.

(c) The Company completed a private placement financing, issuing 6,000,000 common shares at $0.60 per share for gross proceeds of $3,600,000.