

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

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED SEPTEMBER 30, 2021 AND 2020

(Unaudited - Expressed in Canadian Dollars)

**NOTICE OF NO AUDITOR REVIEW OF
CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed consolidated interim financial statements.

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

	Note	September 30, 2021	March 31, 2021
		\$	\$
ASSETS			
Current assets			
Cash		17,715,985	987,697
Restricted cash	3	-	18,043,796
GST receivable		24,085	70,362
Prepaid expenses		726,449	53,550
Total current assets		18,466,519	19,155,405
Non-current assets			
Exploration and evaluation assets	4	63,177,905	8,106,681
Advances for exploration and evaluation assets		95,558	-
Reclamation bonds	4	891,762	412,675
Property, plant and equipment	5	799,680	-
Other assets	3	2,479	886,665
		64,967,384	9,406,021
TOTAL ASSETS		83,433,903	28,561,426
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	7	373,559	156,432
Total Liabilities		373,559	156,432
SHAREHOLDERS' EQUITY			
Share capital	6	114,852,977	40,904,144
Reserves	6	2,010,407	2,010,407
Subscription receipts	3	-	18,043,796
Deficit		(33,803,040)	(32,553,353)
Total Shareholders' Equity		83,060,344	28,404,994
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		83,433,903	28,561,426

NATURE OF OPERATIONS (Note 1)

These consolidated financial statements are authorized for issue by the Board of Directors on November 19, 2021. They are signed on the Company's behalf by:

"Craig Roberts" , Director

"Doug Forster" , Director

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

	Note	Three months ended September 30,		Six months ended September 30,	
		2021	2020	2021	2020
		\$	\$	\$	\$
EXPENSES					
Consulting fees		255,772	49,800	319,272	94,800
Depreciation	5	5,472	-	10,458	-
Management and director fees	7	238,039	236,667	478,733	488,233
Marketing		125,813	7,344	240,914	16,987
Office and sundry		53,743	18,222	110,030	35,220
Professional fees		75,181	32,867	133,014	33,060
Transfer agent and regulatory fees		46,072	2,808	58,254	6,929
Travel		-	-	29,575	-
		(800,092)	(347,708)	(1,380,250)	(675,229)
Other items					
Foreign exchange gain (loss)		60,466	(2,034)	116,207	(6,317)
Interest income		-	-	14,356	-
		60,466	(2,034)	130,563	(6,317)
Loss and comprehensive loss		(739,626)	(349,742)	(1,249,687)	(681,546)
Basic and diluted loss per common share		(0.00)	(0.00)	(0.01)	(0.01)
Weighted average number of common shares outstanding		238,770,628	91,134,068	231,044,127	91,134,068

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

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

	Six months ended September 30,	
	2021	2020
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the period	(1,249,687)	(681,546)
Items not affecting cash:		
Depreciation	10,458	-
Unrealized foreign exchange (gain) loss	(45,796)	778
Changes in non-cash working capital items:		
GST receivable	55,703	4,184
Prepaid expenses	33,462	15,651
Accounts payable and accrued liabilities	(247,053)	90,343
Cash used in operating activities	(1,442,913)	(570,590)
CASH FLOWS FROM INVESTING ACTIVITIES		
Cash provided by acquisition of Nevada King Mining Ltd.	424,262	-
Release of restricted cash	18,043,796	-
Expenditures for exploration and evaluation assets, net of recoveries	(3,288,682)	(267,990)
Purchase of property, plant and equipment	(153,198)	-
Payment of reclamation bonds	(60,878)	-
Cash provided by (used in) investing activities	14,965,300	(267,990)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from private placements	3,600,000	-
Subscriptions received in advance of share issuance	-	800,000
Share issuance costs	(394,099)	-
Cash provided by financing activities	3,205,901	800,000
Change in cash during the period	16,728,288	(38,580)
Cash, beginning of year	987,697	1,664,164
Cash, end of year	17,715,985	1,625,584
Supplemental Cash Flow Information:		
Common shares issued for acquisition of Nevada King Mining Ltd.	50,558,343	-
Common shares issued for mineral rights	2,470,000	-
Exploration expenditures included in accounts payable and accrued liabilities	159,090	66,902

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

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

	Note	Share Capital		Reserves				Total shareholders' equity	
		Number of shares outstanding	Amount	Share subscriptions	Equity settled share-based payments	Contributed surplus	Total reserves		Deficit
			\$	\$	\$	\$	\$	\$	
Balance at March 31, 2020		91,134,068	37,440,172	-	2,433,604	-	2,433,604	(30,597,125)	9,276,651
Share subscriptions received in advance of share issuance		-	-	800,000	-	-	-	-	800,000
Loss for the period		-	-	-	-	-	-	(681,546)	(681,546)
Balance at September 30, 2020		91,134,068	37,440,172	800,000	2,433,604	-	2,433,604	(31,278,671)	9,395,105
Issuance of common shares pursuant to private placement		5,500,000	2,200,000	(800,000)	-	-	-	-	1,400,000
Share issuance costs		-	(34,225)	-	-	-	-	-	(34,225)
Issuance of common shares pursuant to exercise of stock options		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		-	-	18,043,796	-	-	-	-	18,043,796
Loss for the period		-	-	-	-	-	-	(1,274,682)	(1,274,682)
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
Issuance of common shares for acquisition of Nevada King Mining Ltd.	3,6	99,134,006	50,558,343	-	-	-	-	-	50,558,343
Issuance of common shares on conversion of subscription receipts	3,6	32,806,902	18,043,796	(18,043,796)	-	-	-	-	-
Issuance of common shares pursuant to private placement	6	6,000,000	3,600,000	-	-	-	-	-	3,600,000
Issuance of common shares pursuant to reacquisition of mineral rights	6	6,500,000	2,470,000	-	-	-	-	-	2,470,000
Share issuance costs	6	-	(723,306)	-	-	-	-	-	(723,306)
Loss for the period		-	-	-	-	-	-	(1,249,687)	(1,249,687)
Balance at September 30, 2021		243,574,976	114,852,977	-	1,998,528	11,879	2,010,407	(33,803,040)	83,060,344

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

Nevada King Gold Corp. (formerly Victory Metals Inc.)
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended September 30, 2021 and 2020
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

1. NATURE OF OPERATIONS

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.

On April 7, 2021, the Company acquired all of the issued and outstanding shares of Nevada King Mining Ltd. (“Nevada King Mining”) and changed its name to Nevada King Gold Corp. (Note 3).

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 September 30, 2021, the Company had cash totalling \$17,715,985. 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

The principal accounting policies applied in the preparation of these financial statements are set out below.

a) Statement of compliance

The Company’s condensed consolidated interim financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as applicable to interim financial reports including International Accounting Standards 34 “Interim Financial Reporting”.

These condensed consolidated interim financial statements do not include all the information and note disclosures required by IFRS for annual financial statements and should be read in conjunction with the annual financial statements for the year ended March 31, 2021, which have been prepared in accordance with IFRS, as issued by the International Accounting Standards Board (“IASB”) and included in Part I of the Handbook of the Chartered Professional Accountants of Canada.

The policies applied in these condensed consolidated interim financial statements are the same as those applied in the most recent annual financial statements and were consistently applied to all the periods presented.

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

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended September 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

b) Basis of presentation

These condensed consolidated interim 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.

c) Basis of consolidation

These condensed consolidated interim financial statements include the accounts of the Company and its wholly owned subsidiaries as follows:

	Place of Incorporation	Principal Activity
Big Casino Corp.	Delaware, USA	Exploration company
Desert Hawk Resources Ltd.	Delaware, USA	Exploration company
Battle Mountain Gold LLC	Nevada, USA	Exploration company
2656065 Ontario Ltd.	Ontario, Canada	Holding company
1226065 B.C. Ltd.	British Columbia, Canada	Holding company
Brownstone Ventures (US) Inc.	Delaware, USA	Exploration company
Nevada King Mining Ltd.	British Columbia, Canada	Holding company

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.

d) Significant Accounting Estimates and Judgments

The preparation of these condensed consolidated interim 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 condensed consolidated interim 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 period 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.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

- 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 performed and an impairment loss is recognized to the extent that the carrying amount exceeds the recoverable amount.

(ii) Critical accounting judgments

- Presentation of the condensed consolidated interim 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 September 30, 2021.

(e) New accounting policies adopted in the current period

In conjunction with acquisition of Nevada King Mining, the Company adopted the following new policy in the current period:

Property, plant and equipment

Property, plant and equipment is recorded at cost less accumulated depreciation calculated using the straight-line method over the estimated useful life. Depreciation of an asset begins once it is available for use.

f) Changes in accounting standards and interpretations

As of the date of authorization of these condensed consolidated interim 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 condensed consolidated interim financial statements.

Nevada King Gold Corp. (formerly Victory Metals Inc.)
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended September 30, 2021 and 2020
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

3. ACQUISITION OF NEVADA KING MINING

On April 7, 2021, the Company completed the purchase of all of the issued and outstanding common shares of Nevada King Mining in exchange for 99,134,006 common shares of the Company with a fair value of \$50,558,343 (Note 6). The acquisition was accounted for as an asset acquisition under IFRS 2. The acquired assets and liabilities were recorded at their fair value.

The completion of the acquisition was subject to the completion of a minimum \$8 million non-brokered private placement by the Company. Accordingly, the Company issued 32,806,902 subscription receipts at a price of \$0.55 per subscription receipt for gross proceeds of \$18,043,796 in the last fiscal quarter of 2021. Each subscription receipt entitled the holder to receive one post-acquisition share of the Company immediately after closing of the acquisition. The gross proceeds were held in escrow until the completion of the acquisition on April 7, 2021, at which time the subscription receipts were converted into 32,806,902 common shares of the Company and the proceeds were released from escrow.

The Company incurred finders' fees of \$659,488 and other share issuance costs of \$24,135 in connection with the private placement and \$560,580 in transaction costs associated with the acquisition. The transactions costs were capitalized as part of the consideration paid for the net assets of Nevada King Mining.

At March 31, 2021, other assets included finders' fees and share issuance costs of \$344,364 in connection with the private placement and transaction costs of \$539,786 in connection with the acquisition of Nevada King Mining.

The fair value of the net assets acquired at April 7, 2021 are as follows:

Net assets (liabilities) of the Company acquired (assumed)	April 7, 2021
Cash	424,262
GST receivable	9,426
Prepaid expenses	706,361
Exploration and evaluation assets	49,045,176
Advances for exploration and evaluation assets	95,448
Property, plant and equipment	650,259
Reclamation bonds	404,078
Accounts payable	(216,087)
	<hr/> 51,118,923 <hr/>

The excess of the consideration paid of \$41,618,840 over the net book value of the assets of Nevada King Mining acquired was allocated on a pro-rata basis to the exploration and evaluation assets.

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

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended September 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

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 September 30, 2021:

	Evana	Crescent Valley	Carico Lake	Horse Mountain	Kobeh Valley	Lewis- Hilltop	Iron Point	Buffalo Valley	Atlanta	Other	Total
Period ended September 30, 2021	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Acquisition Costs											
Balance as at March 31, 2021	-	-	-	-	-	-	1,091,728	-	-	-	1,091,728
Additions											
Acquisition of Nevada King											
Mining	1,528,397	1,229,733	4,132,942	5,114,181	8,425,077	8,727,719	968,780	5,285,465	12,197,347	1,435,534	49,045,175
Reacquisition of mineral rights	-	-	-	-	-	-	2,470,000	-	-	-	2,470,000
Mineral claim and option payments	26,232	3,086	238,827	202,925	414,852	365,994	222,594	262,691	131,335	133,583	2,002,119
Balance as at September 30, 2021	1,554,629	1,232,819	4,371,769	5,317,106	8,839,929	9,093,713	4,753,102	5,548,156	12,328,682	1,569,117	54,609,022
Exploration costs											
Balance as at March 31, 2021	-	-	-	-	-	-	7,014,953	-	-	-	7,014,953
Assay & sampling	-	-	-	2,631	-	38,766	39,763	-	128,888	-	210,048
Drilling	-	-	-	-	-	53,951	17,697	-	632,826	-	704,474
Environmental	-	-	-	-	-	-	3,910	-	-	-	3,910
Geophysics	-	-	-	-	-	-	-	-	63,814	-	63,814
GIS	1,399	-	-	1,119	-	3,078	1,866	-	3,296	64	10,822
Metallurgy	-	-	-	-	-	-	35,114	-	-	-	35,114
Other	-	-	-	-	-	-	-	-	29,705	-	29,705
PEA/Resource estimate	-	-	-	-	-	-	25,902	-	106,224	-	132,126
Reclamation	-	-	-	-	-	-	-	-	10,683	-	10,683
Salaries and Consulting	898	-	-	3,750	898	31,561	125,632	485	123,289	-	286,513
Staking	-	-	-	-	-	-	66,721	-	-	-	66,721
Balance as at September 30, 2021	2,297	-	-	7,500	898	127,356	7,331,558	485	1,098,725	64	8,568,883
Exploration and evaluation assets September 30, 2021											
	1,556,926	1,232,819	4,371,769	5,324,606	8,840,827	9,221,069	12,084,660	5,548,641	13,427,407	1,569,181	63,177,905

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Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended September 30, 2021 and 2020
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

	Iron Point
	\$
Year ended March 31, 2021	
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

Evana Project

As at September 30, 2021, the Company owns 119 lode claims located in Eureka County, Nevada (USA).

Crescent Valley Project

As at September 30, 2021, the Company owns 14 lode claims located in Eureka County, Nevada (USA).

Carico Lake Project

As at September 30, 2021, the Company owns 909 lode claims located in Lander County, Nevada (USA).

Horse Mountain Project

As at September 30, 2021, the Company owns 924 lode claims located in Lander County, Nevada (USA).

Kobeh Valley Project

As at September 30, 2021, the Company owns 1,882 lode claims located in Eureka County, Nevada (USA).

Lewis-Hilltop Project

As at September 30, 2021, the Company owns 1,011 lode claims located in Lander County, Nevada (USA).

Buffalo Valley Project

As at September 30, 2021, the Company owns 1,191 lode claims located in Eureka County, Nevada (USA).

Atlanta Project

As at September 30, 2021, the Company owns the Atlanta Gold Mine and 651 lode claims located in Lincoln County, Nevada (USA).

Nevada King Gold Corp. (formerly Victory Metals Inc.)
Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended September 30, 2021 and 2020
(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Iron Point Project

As at September 30, 2021, the Company owns 1183 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 (paid subsequent to September 30, 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:

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 (paid subsequent to September 30, 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 (“Iron Point”), 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.

On September 7, 2021, the Company completed an agreement with Ethos, issuing 6,500,000 common shares of the Company with a fair value of \$2,470,000, in exchange for Ethos renouncing all of its rights under the earn-in agreement on the Iron Point project.

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

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended September 30, 2021 and 2020

(Unaudited - Expressed in Canadian Dollars Unless Otherwise Noted)

4. EXPLORATION AND EVALUATION ASSETS (continued)

Iron Point Project (continued)

As at September 30, 2021, the Company has paid \$891,762 (March 31, 2021 - \$412,675) 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.

5. PROPERTY, PLANT AND EQUIPMENT

In connection with the acquisition of Nevada King Mining, the Company acquired land with a fair value of \$102,242 and a building with a fair value of \$548,047. The building is being depreciated on a straight-line basis over 25 years. Depreciation of \$10,458 was recorded in the current period.

During the current period the Company also acquired a drill casing for \$153,198 which has not yet been put in use.

The net book value of property, plant and equipment at September 30, 2021 is \$799,680 (March 31, 2021 - \$Nil).

6. SHARE CAPITAL AND RESERVES

Authorized Share Capital

At September 30, 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.

On April 7, 2021, the Company completed the purchase of all of the issued and outstanding common shares of Nevada King Mining in exchange for 99,134,006 common shares of the Company with a fair value of \$50,558,343 (Note 3).

In connection with the purchase of Nevada King Mining, the Company completed a private placement of 32,806,902 subscription receipts at a price of \$0.55 per subscription receipt for gross proceeds of \$18,043,796 in the year ended March 31, 2021. On April 7, 2021, the subscription receipts were converted into 32,806,902 common shares of the Company. The Company incurred finders’ fees of \$659,488 and other share issuance costs of \$24,135 in connection with the private placement.

On June 18, 2021, 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. The Company incurred share issuance costs of \$18,750 in connection with the private placement financing.

On September 7, 2021, the Company completed an agreement with Ethos, issuing 6,500,000 common shares of the Company with a fair value of \$2,470,000, in exchange for Ethos renouncing all of its rights under the earn-in agreement on the Iron Point project.

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.

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6. SHARE CAPITAL AND RESERVES (continued)

Share Purchase Option Compensation Plan (continued)

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.

There was no change in options during the current period.

Options outstanding at September 30, 2021 are as follows:

Expiry date	Exercise price	Outstanding	Options exercisable
January 31, 2024	\$ 0.35	5,900,000	5,900,000
June 17, 2024	\$ 0.63	560,000	560,000
		6,460,000	6,460,000
Weighted average exercise price		\$ 0.37	\$ 0.37
Weighted average contractual remaining life (years)		2.37	2.37

Option transactions for the year ended March 31, 2021, and options outstanding at March 31, 2021 are as follows:

Expiry date	Exercise price	March 31, 2020	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	-	-
June 17, 2024	\$ 0.63	560,000	-	-
		9,030,000	(2,500,000)	(70,000)
				6,460,000
Weighted average exercise price		\$ 0.37	\$ 0.35	\$ 0.35
Weighted average contractual remaining life (years)		3.01	-	-
				2.87

The Company did not have any warrants outstanding as at September 30, 2021 or March 31, 2021.

7. 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.

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7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Management compensation was as follows:

Period ended	September 30, 2021	September 30, 2020
	\$	\$
Management fees paid to a company controlled by the Executive Chairman	148,582	165,844
Management fees paid to a company controlled by the Chief Executive Officer	133,727	147,697
Management fees paid to the Chief Financial Officer	111,423	123,192
Director fees	85,000	51,500
	478,732	488,233

Included in accounts payable and accrued liabilities at September 30, 2021 are payables of \$79,611 related to directors' fees and expense reimbursements (March 31, 2021 - \$Nil) due to officers and directors of the Company. Related party payables are unsecured, non-interest bearing and have no specified terms of repayment.

8. 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.

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:

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 reclamation bonds. The carrying values of cash and accounts payable approximate their fair values due to the short-term maturity of these financial instruments.

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9. FINANCIAL INSTRUMENTS (continued)

(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 \$223,182 in accounts payable and accrued liabilities that are due within one year of the date of the condensed consolidated interim 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 September 30, 2021 would change the Company's loss by \$38,338 as a result of a 10% change in the value of the Canadian 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.

(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 and gold. Commodity prices 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,

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10. CAPITAL MANAGEMENT (continued)

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 period ended September 30, 2021.