Nobel Resources Corp.

Condensed Interim Consolidated Financial Statements

For the three months ended March 31, 2022 and 2021

(Expressed in Canadian Dollars)

(unaudited)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Company's independent auditor has not performed a review of these condensed interim consolidated financial statements in accordance with standards established by the Chartered Professional Accountants of Canada (CPA Canada) for a review of interim financial statements by an entity's auditor.

Nobel Resources Corp.

Condensed Interim Consolidated Statements of Financial Position

Expressed in Canadian Dollars- Unaudited

As at:	Note	**March 31, 2022 $**	December 31, 2021 $
ASSETS			
Current			
Cash		**1,951,409**	4,075,028
Amounts receivable		**226,703**	198,764
Prepaid expenses and advances		**58,678**	64,606
Total current assets		**2,236,790**	4,338,398
Long-term			
Right-of-use asset	5	**-**	3,583
Total assets		**2,236,790**	4,341,981
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities	10	**304,447**	654,053
Lease liability	5	**-**	3,736
Total liabilities		**304,447**	657,789
SHAREHOLDERS' EQUITY			
Common shares	6	**14,311,946**	14,311,946
Warrant reserve	7	**1,954,285**	1,954,285
Option reserve	7	**3,544,145**	3,544,145
Deficit		**(17,878,033)**	(16,126,184)
Total shareholders' equity		**1,932,343**	3,684,192
Total liabilities and shareholders' equity		**2,236,790**	4,341,981

Nature of operations and going concern (Note 1)

Commitments and contingencies (Notes 4 and 12)

Approved on behalf of the Board of Directors on May 27, 2022:

Signed: *"Lawrence Guy"*, Director

Signed: *"David Gower"*, Director

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

Nobel Resources Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss

Expressed in Canadian Dollars- Unaudited

	Note	Three months ended March 31, 2022 $	Three months ended March 31, 2021 $
Expenses			
Exploration and evaluation expenses	4	**1,465,639**	808,128
Consulting and management fees	10	**204,299**	307,233
Professional fees		**12,000**	64,810
Amortization	5	**3,583**	3,583
Shareholder communication and filing fees		**27,823**	30,805
Promotion		**45,887**	32,667
Travel expenses		**2,629**	-
Office expenses		**13,972**	9,391
(Loss) for the year before other items		**(1,775,832)**	(1,256,617)
Other items			
Interest expense		**(44)**	(305)
Foreign exchange gain/(loss)		**24,027**	73,551
Net and comprehensive (loss) for the year		**(1,751,849)**	(1,183,371)
Basic and diluted (loss) per share		**$ (0.02)**	$ (0.03)
Weighted average number of common shares outstanding			
Basic and Diluted		**77,132,117**	41,076,667

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

Nobel Resources Corp.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

Expressed in Canadian Dollars- Unaudited

	Number of shares	Common Shares	Warrant Reserve	Option Reserve	Deficit	Shareholders' equity
	#	$	$	$	$	$
Balance, December 31, 2020	**40,000,000**	**2,157,652**	**16,348**	**-**	**(1,282,750)**	**891,250**
Private placement (note 6)	1,712,500	685,000	-	-	-	685,000
Share issue costs	-	(42,411)	-	-	-	(42,411)
Warrants issued	-	(23,712)	23,712	-	-	-
Subscription receipts	-	-	373,000	-	-	373,000
Loss and comprehensive loss for the period	-	-	-	-	(1,183,371)	(1,183,371)
Balance, March 31, 2021	**41,712,500**	**2,776,529**	**413,060**	**-**	**(2,466,121)**	**723,468**
Balance, December 31, 2021	**77,132,117**	**14,311,946**	**1,954,285**	**3,544,145**	**(16,126,184)**	**3,684,192**
Loss and comprehensive loss for the period	-	-	-	-	(1,751,849)	(1,751,849)
Balance, March 31, 2022	**77,132,117**	**14,311,946**	**1,954,285**	**3,544,145**	**(17,878,033)**	**1,932,343**

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

Nobel Resources Corp.

Condensed Interim Consolidated Statements of Cash Flows

Expressed in Canadian Dollars- Unaudited

	Note	Three months ended March 31, 2022 $	Three months ended March 31, 2021 $
Cash (used in)/provided by:			
Operating activities			
Net loss		**(1,751,849)**	(1,183,371)
Items not involving cash:			
Amortization	5	**3,583**	3,583
Interest payable	5	**44**	305
Changes in non-cash working capital		**(371,617)**	(425,020)
Net cash flows (used in) operating activities		**(2,119,839)**	(1,604,503)
Investing activities			
Increase in restricted cash		**-**	(7,317,225)
Net cash flows (used in) investing activities		**-**	(7,317,225)
Financing activities			
Proceeds from private placement of common shares	6	**-**	685,000
Payment of share issuance costs related to private placement	6	**-**	(42,411)
Proceeds from subscription receipt issuance	6	**-**	8,808,000
Payment of subscription receipt issuance costs	6	**-**	(740,775)
Principal payments on lease liability	7	**(3,780)**	(3,780)
Net cash flows (used in) provided by financing activities		**(3,780)**	8,706,034
Net (decrease) in cash during period		**(2,123,619)**	(215,694)
Cash, beginning of period		**4,075,028**	1,079,920
Cash, end of period		**1,951,409**	864,226
SUPPLEMENTAL INFORMATION			
Broker warrants issued	8	**-**	396,712

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

1. NATURE OF OPERATIONS AND GOING CONCERN

Nobel Resources Corp. (the "Company", or "Nobel") was incorporated on August 20, 2020 under the laws of the Province of Ontario. The Company commenced trading as a Tier 2 Mining Issuer on the TSX Venture Exchange ("TSXV") on April 20, 2021 under the new trading symbol "NBLC". The Company also trades on the OTCQB Venture Market in the United States under the symbol "NBTRF".

The Company owns the following subsidiaries:

- A 100% interest in Grupo Los Nogales S.A. ("Nobel Panama"), a company incorporated on July 20, 2010 in Panama which in turn owns 100% of Mantos Grandes Resources Chile SpA, a company incorporated on June 22, 2018 in the Republic of Chile.

The Company is currently engaged in the acquisition, exploration and development of mineral properties. The head office and principal address of the Company is 36 Lombard Street, 4th Floor, Toronto, Ontario, M5C 2X3.

On April 14, 2021, the Company closed its previously announced reverse takeover transaction (the "Transaction") with Novo19 Capital Corp. ("Novo19"). The Transaction was completed by way of a "three-cornered" amalgamation pursuant to the provisions of the *Business Corporations Act* (Ontario). Prior to the completion of the Transaction, Novo19: (i) completed a consolidation of its issued and outstanding common shares on the basis of one post-consolidation share for every 6.6667 pre-consolidation shares; and (ii) changed its name from "Novo19 Capital Corp." to "Nobel29 Resources Corp." ("Nobel29"). Pursuant to the Transaction, all common shares of the Company were exchanged for post-consolidation shares on a one-for-one basis for common shares of Nobel29 and the Company and 2791419 Ontario Inc., a wholly owned subsidiary of the Company newly incorporated under the *Business Corporations Act* (Ontario) for the sole purpose of effecting the Transaction, amalgamated with the resulting entity continuing as a wholly owned subsidiary of the Company under the name "Nobel Resources Corp." See Note 6(iii).

The business of exploring for minerals involves a high degree of risk and there can be no assurance that the current exploration programs will result in profitable operations.

The Company is in the process of exploring its mineral properties and has not yet determined whether these properties contain mineral reserves that are economically recoverable. The recoverability of exploration and evaluation expenditures is dependent upon the establishment of a sufficient quantity of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete development, and upon future profitable production or proceeds from the disposition of these property interests.

Although the Company has taken steps to verify title to the properties on which it is conducting its exploration activities, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims and non-compliance with regulatory and environmental requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, currency exchange fluctuations and restrictions, and political uncertainty.

At March 31, 2022, the Company had working capital of $1,932,343 (December 31, 2021- $3,680,609), and a deficit of $17,878,033 (December 31, 2021- $16,126,184). The Company has a need for equity financing for working capital and exploration and development of its properties. Because of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operation. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operation. Material uncertainties as mentioned above cast significant doubt upon the Company's ability to continue as a going concern.

1. NATURE OF OPERATIONS AND GOING CONCERN (continued)

These condensed interim consolidated financial statements have been prepared using accounting policies applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of operations. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying financial statements. Such adjustments could be material.

Novel Coronavirus ("COVID-19")

The Company's operations could be significantly adversely affected by the effects of a widespread global outbreak of a contagious disease, including the recent outbreak of respiratory illness caused by COVID-19. The Company cannot accurately predict the impact COVID-19 will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the ultimate geographic spread of the virus, the severity of the disease, the duration of the outbreak, and the length of travel and quarantine restrictions imposed by governments of affected countries. In addition, a significant outbreak of contagious diseases in the human population could result in a widespread health crisis that could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations. COVID-19 did not have a material impact on the Company's operations in the three months ended March 31, 2022.

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements are in compliance with IAS 34, *Interim Financial Reporting*. Accordingly, certain information and disclosures normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB"), have been omitted or condensed. These condensed interim consolidated financial statements should be read in conjunction with the Company's consolidated financial statements for the year ended September 30, 2021.

Basis of presentation

These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information, and have been prepared using the historical cost basis. Furthermore, these condensed interim consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company and its subsidiaries. All values are rounded to the nearest dollar.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Generally, the Company has a shareholding of more than one half of the voting rights in its subsidiaries. The effects of potential voting rights that are currently exercisable are considered when assessing whether control exists. Subsidiaries are fully consolidated from the date control is transferred to the Company and are de-consolidated from the date control ceases. The financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiaries after eliminating inter-entity balances and transactions.

The Company has a 100% interest in Grupo Los Nogales S.A. ("Nobel Panama"), a company incorporated on July 20, 2010 in Panama which in turn owns 100% of Mantos Grandes Resources Chile SpA ("Nobel Chile"), a company incorporated on June 22, 2018 in the Republic of Chile. The Company acquired control of Nobel Panama and its subsidiary on September 18, 2020.

2. BASIS OF PRESENTATION (continued)

Approval of the consolidated financial statements

These condensed interim consolidated financial statements of the Company for the three months ended March 31, 2022 and 2021 were reviewed, approved and authorized for issue by the Board of Directors of the Company on May 27, 2022.

3. SIGNIFICANT ACCOUNTING POLICIES

Critical judgements and estimation uncertainties

The preparation of financial statements in conformity with IFRS requires the Company's management to make judgments, estimates and assumptions about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results may differ from those estimates.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Share-based payments

Management determines costs for share-based payments using market-based valuation techniques. The fair value of the market-based share awards is determined at the date of grant using generally accepted valuation techniques. Assumptions are made and judgment used in applying valuation techniques. These assumptions and judgments include estimating the future volatility of the stock price, expected dividend yield, future employee turnover rates and future employee stock option exercise behaviors and corporate performance. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Contingencies (see Note 12)

Future accounting changes

Certain new standards, interpretations, amendments and improvements to existing standards were issued by IASB or IFRIC that are mandatory for accounting periods beginning on or after January 1, 2022. Updates that are not applicable or are not consequential to the Company have been excluded thereof. The following have not yet been adopted and are being evaluated to determine their impact on the consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Future accounting changes (continued)

IAS 1 – Presentation of Financial Statements ("IAS 1") was revised in January 2020 and July 2020 to (i) clarify that the classification of liabilities as current or non-current should be based on rights that are in existence at the end of the reporting period and align the wording in all affected paragraphs to refer to the right to defer settlement by at least twelve months and make explicit that only rights in place "at the end of the reporting period" should affect the classification of a liability; (ii) clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability; and (iii) make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.

4. EXPLORATION AND EVALUATION EXPENDITURES

Algarrobo Property, Chile

On December 14, 2020, the Company signed an option agreement between a wholly owned subsidiary of the Company, Mantos Grandes Resources Chile SpA and Minera Caldera SCM, an arm's length corporation, whereby the Company has the option, subject to certain conditions therein, to obtain a 100% interest in the mining rights associated with the Algarrobo Property.

To fully exercise the option, the Company is required to make the following cash payments:

- US$100,000 (paid October 2020);
- US$200,000 (paid December 2020);
- US$250,000 (paid August 2021);
- US$450,000 by August 18, 2022;
- US$1,000,000 by August 18, 2023
- US$5,000,000 by August 18, 2024;
- US$5,000,000 by August 18, 2025; and
- US$3,000,000 by the earlier of the Company obtaining certain exploitation funding, or August 18, 2027.

Upon completion of the payments above, the Company will own 100% of the Algarrobo project and must grant to the optionor a 2% NSR royalty on future mineral production. The Company can, at its sole discretion, decide to not exercise the option and terminate the option agreement.

La Salvadora Property, Chile

On September 24, 2021, the Company's wholly owned subsidiary, Mantos Grandes Resources Chile SpA, entered into a definitive option agreement to acquire a 100% interest in the mining rights associated with the La Salvadora Project.

To fully exercise the option, the Company is required to make the following cash payments:

- US$70,000 (paid September 2021);
- US$80,000 (paid subsequent to December 31, 2021);
- US$120,000 by September 24, 2022;
- US$130,000 by March 24, 2023;
- US$200,000 by September 24, 2023
- US$300,000 by March 24, 2024;
- US$300,000 by September 24, 2024; and
- US$3,300,000 by March 24, 2025.

Expressed in Canadian Dollars- Unaudited

4. EXPLORATION AND EVALUATION EXPENDITURES (continued)

Upon completion of the payments above, the Company will own 100% of the La Salvadora project and must grant to the optionor a 2% NSR royalty on future mineral production. The Company has a right to repurchase a 1.5% NSR royalty from the optionor for a cash payment of US$2,000,000. The Company can, at its sole discretion, decide to not exercise the option and terminate the option agreement.

Exploration and evaluation expenditures for the three months ended March 31, 2022 and 2021 were as follows:

	Three months ended March 31, 2022	Three months ended March 31, 2021
Property option payments	$ -	$ -
Acquisition (note 4)	-	-
Mining and drilling	1,133,540	351,212
Topographic surveys	92,577	210,325
Laboratory analysis	69,408	24,653
Field supplies	29,483	49,767
Professional fees	7,624	39,793
Land management fees, taxes and permits	5,465	66,283
Project overhead costs	127,543	66,095
Total exploration and evaluation expenses	**$ 1,465,639**	**$ 808,128**

5. LEASE

On November 3, 2020, Nobel Chile signed an office lease agreement for a property located at 363 Costa de Atacama Street, Villa Costa del Sol, city of Caldera, region of Atacama, Chile. The agreement has a termination date of March 31, 2022 and monthly rent payments of 700,000 Chilean pesos ($1,260).

Balance, December 31, 2020	**$**	**17,913**
Amortization		(14,330)
Balance, December 31, 2021	**$**	**3,583**
Amortization		(3,583)
Balance, March 31, 2022	**$**	**-**

Lease liability		
Balance, December 31, 2020	**$**	**18,019**
Lease accretion		837
Lease payments		(15,120)
Balance, December 31, 2021	**$**	**3,736**
Lease accretion		44
Lease payments		(3,780)
Balance, March 31, 2022		**-**

Expressed in Canadian Dollars- Unaudited

6. COMMON SHARES

Authorized

At March 31, 2022, the authorized share capital consisted of an unlimited number of common shares without par value.

	Number of shares outstanding	Amount
Balance, December 31, 2020	**40,000,000**	**$ 2,157,652**
Private placements (I,iv)	12,823,612	5,685,000
Warrants issued	-	(1,580,968)
Reverse takeover transaction (Note 1 and 6(iii))	2,025,705	810,316
Subscription receipts (ii,iii)	22,020,000	8,808,000
Share issue costs	-	(1,610,365)
Exercise of warrants	262,800	42,311
Balance, December 31, 2021 and March 31, 2022	**77,132,117**	**14,311,946**

(i) On September 20, 2021, the Company completed the first tranche of a private placement financing by issuing 3,333,332 units at a price of $0.45 per unit for gross proceeds of $1,500,000. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of $0.60 for a period of 36 months. The grant date fair value of the warrants issued was estimated at $417,251 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.33; expected volatility of 157% based on volatilities of comparable companies; risk-free interest rate of 0.54% and expected life of 3 years.

In connection with the offering, the Company paid $90,000 in finders' fees and issued 199,999 non-transferrable finder warrants. Each finder warrant is exercisable into one common share of the Company at a price of $0.45 per warrant until September 20, 2024. The grant date fair value of the finder warrants issued was estimated at $50,109 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.33; expected volatility of 157% based on volatilities of comparable companies; risk-free interest rate of 0.54% and expected life of 3 years.

On September 23, 2021, the Company completed the second and final tranche of a private placement financing by issuing 7,777,780 units at a price of $0.45 per unit for gross proceeds of $3,500,000. Each unit is comprised of one common share of the Company and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share at a price of $0.60 for a period of 36 months. The grant date fair value of the warrants issued was estimated at $973,062 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.33; expected volatility of 157% based on volatilities of comparable companies; risk-free interest rate of 0.61% and expected life of 3 years.

In connection with the offering, the Company paid $210,000 in finders' fees, $146,556 in other share issue costs, and issued 466,666 non-transferrable finder warrants. Each finder warrant is exercisable into one common share of the Company at a price of $0.45 per warrant until September 23, 2024. The grant date fair value of the finder warrants issued was estimated at $116,834 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.33; expected volatility of 157% based on volatilities of comparable companies; risk-free interest rate of 0.61% and expected life of 3 years.

Expressed in Canadian Dollars- Unaudited

6. COMMON SHARES (continued)

(ii) On January 14, 2021, the Company closed a private placement of subscription receipts ("Subscription Receipts") by issuing 22,020,000 Subscription Receipts at a price of $0.40 each, for gross proceeds to the Company of approximately $8,808,000. Directors and officers of the Company subscribed for 375,000 subscription receipts for gross proceeds of $150,000.

A total of 1,541,400 broker warrants, each exercisable to acquire one common share at a price of $0.40 for a period of 24 months, were issued in connection with the offering. The fair value of the broker warrants issued was estimated at $373,000 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.40; expected volatility of 120% based on volatilities of comparable companies; risk-free interest rate of 1.45% and an expected life of 2 years.

Immediately prior to the closing of the reverse takeover transaction (Note 1), each Subscription Receipt was converted into one common share of the Company pursuant to the Transaction.

(iii) In connection with the Transaction, the Company issued 2,025,705 common shares to acquire Novo19. The value of the shares was based on the price of the subscription receipts. As part of the acquisition, the Company assumed net working capital of $93,429. Transaction costs, being the excess of the value of shares issued over net assets, was $903,745.

(iv) On January 11, 2021, the Company completed the first tranche of a private placement financing by issuing 525,000 common shares at a price of $0.40 per share of gross proceeds of $210,000 and a second tranche on February 11, 2021 by issuing 1,187,500 common shares at a price of $0.40 per share for gross proceeds of $475,000. The Company paid finders fees of $2,800 and additional share issue costs of $39,610 in cash. In addition, the Company issued a total of 98,000 broker warrants, each exercisable to acquire one common share at a price of $0.40 for a period of 24 months. The fair value of the broker warrants issued was estimated at $23,712 using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; share price of $0.40; expected volatility of 120% based on volatilities of comparable companies; risk-free interest rate of 0.26% and an expected life of 2 years.

7. EQUITY RESERVES

Warrants

The changes in warrants issued during the year ended December 31, 2021 and three months ended March 31, 2022 are as follows:

	Number of warrants	Weighted average exercise price	Value of warrants
Balance, December 31, 2020	**268,000**	**0.10**	**$ 16,348**
Granted, January 2021	1,541,400	0.40	373,000
Granted, February 2021	98,000	0.40	23,712
Exercised, April 2021	(36,000)	0.10	(2,196)
Granted, September 2021	6,222,221	0.61	1,557,256
Exercised, September 2021	(176,800)	0.10	(10,785)
Exercised, December 2021	(50,000)	0.10	(3,050)
Balance, December 31, 2021 and March 31, 2022	**7,866,821**	**$ 0.56**	**$ 1,954,285**

Expressed in Canadian Dollars- Unaudited

7. EQUITY RESERVES (continued)

Warrants (continued)

The following summarizes the warrants outstanding as at March 31, 2022:

Number outstanding #	Number exercisable #	Grant date	Expiry date	Exercise price $	Estimated grant date fair value $	Volatility	Risk-free interest rate	Expected life (Yrs) #	Expected dividend yield
5,200	5,200	09-Oct-20	09-Oct-22	$0.10	317	120%	1.45%	2.00	0%
1,541,400	1,541,400	11-Jan-21	11-Jan-23	$0.40	373,000	120%	0.26%	2.00	0%
98,000	98,000	11-Feb-21	11-Feb-23	$0.40	23,712	120%	0.26%	2.00	0%
1,666,666	1,666,666	20-Sep-21	20-Sep-24	$0.60	417,251	157%	0.54%	3.00	0%
199,999	199,999	20-Sep-21	20-Sep-24	$0.45	50,109	157%	0.54%	3.00	0%
3,888,890	3,888,890	23-Sep-21	23-Sep-24	$0.60	973,062	157%	0.61%	3.00	0%
466,666	466,666	23-Sep-21	23-Sep-24	$0.45	116,834	157%	0.61%	3.00	0%
7,866,821	**7,866,821**				**1,954,285**				

The weighted-average remaining contractual life of the warrants as of March 31, 2022 is 2.13 years (December 31, 2021- 2.37 years).

Share-based payments

The changes in stock options issued during the year ended December 31, 2021 and three months ended March 31, 2022 are as follows:

	Number of options	Weighted average exercise price	Value of options
Balance, December 31, 2020	**-**	**$ -**	**$ -**
Granted, April 2021	5,325,000	0.47	2,143,935
Granted, October 2021	1,960,000	0.80	1,400,210
Balance, December 31, 2021 and March 31, 2022	**7,285,000**	**$ 0.56**	**$ 3,544,145**

On April 14, 2021, the Company granted a total of 3,775,000 stock options to directors, management, and consultants of the Company pursuant to its stock option plan. The options vested immediately and may be exercised at a price of $0.40 per option, expiring March 2, 2026. The fair value of the stock options issued was estimated at $1,346,653 using the Black-Scholes pricing model with the following assumptions: expected dividend yield of 0%, share price of $0.40, expected volatility of 144% based on volatilities of comparable companies, risk-free interest rate of 0.95% and expected average life of 4.88 years. Directors and officers were granted 2,900,000 options with a fair value of $1,034,515.

On April 22, 2021, the Company granted a total of 1,550,000 stock options to directors and officers of the Company pursuant to its stock option plan. The options vested immediately and may be exercised at a price of $0.64 per option, for a period of five years from the date of grant. The fair value of the stock options issued was estimated at $797,282 using the Black-Scholes pricing model with the following assumptions: expected dividend yield of 0%, share price of $0.58, expected volatility of 143% based on volatilities of comparable companies, risk-free interest rate of 0.93% and expected average life of 5 years.

Expressed in Canadian Dollars- Unaudited

7. EQUITY RESERVES (continued)

Share-based payments (continued)

On October 21, 2021, the Company granted a total of 300,000 stock options to a director of the Company pursuant to its stock option plan. The options vested immediately and may be exercised at a price of $0.60 per option, for a period of five years from the date of grant. The fair value of the stock options issued was estimated at $161,850 using the Black-Scholes pricing model with the following assumptions: expected dividend yield of 0%, share price of $0.60, expected volatility of 145% based on volatilities of comparable companies, risk-free interest rate of 1.35% and expected average life of 5 years.

On October 29, 2021, the Company granted a total of 1,660,000 stock options to directors, officers, and consultants of the Company pursuant to its stock option plan. The options vested immediately and may be exercised at a price of $0.84 per option, for a period of five years from the date of grant. The fair value of the stock options issued was estimated at $1,238,360 using the Black-Scholes pricing model with the following assumptions: expected dividend yield of 0%, share price of $0.83, expected volatility of 145% based on volatilities of comparable companies, risk-free interest rate of 1.50% and expected average life of 5 years. Directors and officers were granted 1,600,000 options with a fair value of $1,193,600.

Options outstanding as at March 31, 2022 are as follows:

Number outstanding #	Number exercisable #	Grant date	Expiry date	Exercise price $	Estimated grant date fair value $	Expected Volatility	Risk-free interest rate	Expected life (Yrs) #	Expected dividend yield
3,775,000	3,775,000	14-Apr-21	02-Mar-26	$0.40	1,346,653	144%	0.95%	4.88	0%
1,550,000	1,550,000	22-Apr-21	22-Apr-26	$0.64	797,282	143%	0.93%	5.00	0%
300,000	300,000	21-Oct-21	21-Oct-26	$0.60	161,850	145%	1.35%	5.00	0%
1,660,000	1,660,000	29-Oct-21	29-Oct-26	$0.84	1,238,360	145%	1.50%	5.00	0%
7,285,000	**7,285,000**				**3,544,145**				

The weighted-average remaining contractual life of the options as of December 31, 2021 is 4.13 years (December 31, 2021- 4.38 years).

8. CAPITAL MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the acquisition, exploration and development of mineral properties. The Board does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The Company considers its capital to consist of common shares, stock options, and warrants.

The properties in which the Company currently has an interest are in the exploration and evaluation stage; as such, the Company is dependent on external financing to fund its activities. In order to carry out planned exploration and evaluation and pay for administrative costs, the Company must raise additional amounts. The Company may continue to assess new properties and may seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no significant changes in the Company's approach to capital management during the three months ended March 31, 2022 and 2021.

8. CAPITAL MANAGEMENT (continued)

The Company and its subsidiaries are not subject to any capital requirements imposed by a lending institution or regulatory body, other than of the TSX Venture Exchange ("TSXV") which requires adequate working capital or financial resources of the greater of (i) $50,000 and (ii) an amount required to maintain operations and cover general and administrative expenses for a period of 6 months.

9. FINANCIAL INSTRUMENTS

Financial instruments recorded at fair value on the statement of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

a) Level 1 - Unadjusted quoted prices in active markets for identical assets or liabilities;
b) Level 2 - Inputs other than quoted prices that are observable for assets or liabilities, either directly or indirectly; and
c) Level 3 - Inputs for assets and liabilities that are not based on observable market data.

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

The Company's financial instruments include cash, amounts receivable, accounts payable and accrued liabilities and lease liabilities. The carrying values of these financial instruments reported in the statement of financial position approximate their respective fair values due to the relatively short-term nature of these instruments. As at March 31, 2022, the Company had no instruments to classify in the fair value hierarchy.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

(a) *Credit risk*

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if a counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Company by those counterparties, less any amounts owed to the counterparty by the Company where a legal right of set-off exists and also includes the fair values of contracts with individual counterparties which are recorded in the financial statements.

a. *Trade credit risk*
The Company is not exposed to significant trade credit risk.

b. *Cash*
In order to manage credit and liquidity risk the Company's policy is to invest only in highly rated investment grade instruments that have maturities of three months or less. Limits are also established based on the type of investment, the counterparty and the credit rating.

(b) *Currency risk*

Currency risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company's foreign currency risk arises primarily with respect to the Chilean Peso from its property interests in Chile and US dollars from operations. Fluctuations in the exchange rates between these currencies and the Canadian dollar could have a material effect on the Company's business, financial condition and results of operations. The Company does not engage in any hedging activity to mitigate this risk.

9. FINANCIAL INSTRUMENTS (continued)

As at March 31, 2022 and December 31, 2021, the Company had the following financial instruments denominated in foreign currency (expressed in Canadian dollars):

		March 31, 2022		December 31, 2021
		Chilean pesos		Chilean pesos
Cash	$	61,239	$	226,718
Accounts receivable		24		3,984
Accounts payable and accrued liabilities		(118,256)		(381,028)
	$	(56,993)	$	(150,326)

		March 31, 2022		December 31, 2021
		United States dollars		United States dollars
Cash	$	361,899	$	47,154
Accounts receivable		-		-
Accounts payable and accrued liabilities		-		(28,120)
	$	361,899	$	19,034

A 10% strengthening (weakening) of the Canadian dollar against the Chilean peso would decrease (increase) net loss by approximately $(5,700) (December 31, 2021: $(15,000)).

A 10% strengthening (weakening) of the Canadian dollar against the United States dollar would decrease (increase) net loss by approximately $36,200 (December 31, 2021: $1,900).

(c) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. At March 31, 2022, the Company had a cash balance of $1,951,409 (December 31, 2021: $4,075,028) to settle accounts payable, accrued and lease liabilities of $304,447 (December 31, 2021: $657,789). The Company's trade payables have contractual maturities of less than 30 days and are subject to normal trade terms.

(d) Commodity price risk

The Company is exposed to price risk with respect to commodity prices. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices, as they relate to gold and copper. Commodity price risk is remote as the Company is not a producing entity.

10. RELATED PARTY TRANSACTIONS

Compensation of key management personnel of the Company

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. During the three months ended March 31, 2022 and 2021, the remuneration of directors and other key management personnel was as follows:

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10. RELATED PARTY TRANSACTIONS (continued)

	Three months ended March 31, 2022 $	Three months ended March 31, 2021 $
Consulting fees	255,978	263,519

At March 31, 2022, the Company had $52,600 owing to its key management (December 31, 2021- $110,784). Such amounts are unsecured, non-interest bearing, with no fixed terms of payment or “due on demand” and included in accounts payable and accrued liabilities.

In connection with the Company’s subscription receipt financing (see note 6), officers of the Company subscribed for an aggregate of 375,000 subscription receipts for total proceeds of $150,000.

11. SEGMENT INFORMATION

The Company conducts its business as a single operating segment, being mineral exploration and evaluation in Chile. The following tables summarize the total assets and liabilities by geographic segment as at March 31, 2022 and December 31, 2021:

March 31, 2022	**Chile**	**Canada**	**Total**
Cash	$ 61,239	$ 1,890,170	$ 1,951,409
Amounts receivable	24	226,679	226,703
Prepaid expenses and advances	11,361	47,317	58,678
Right-of-use-asset	-	-	-
Total Assets	**$ 72,624**	**$ 2,164,166**	**$ 2,236,790**
Accounts payable and accrued liabilities	$ 118,256	$ 186,191	$ 304,447
Lease liability	-	-	-
Total liabilities	**$ 118,256**	**$ 186,191**	**$ 304,447**

December 31, 2021	**Chile**	**Canada**	**Total**
Cash	$ 226,718	$ 3,848,310	$ 4,075,028
Amounts receivable	3,984	194,780	198,764
Prepaid expenses and advances	10,410	54,196	64,606
Right-of-use-asset	3,583	-	3,583
Total Assets	**$ 244,695**	**$ 4,097,286**	**$ 4,341,981**
Accounts payable and accrued liabilities	$ 381,028	$ 273,025	$ 654,053
Lease liability	3,736	-	3,736
Total liabilities	**$ 384,764**	**$ 273,025**	**$ 657,789**

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11. SEGMENT INFORMATION (continued)

The following tables summarize the loss by geographic segment for the three months ended March 31, 2022 and December 31, 2021:

March 31, 2022	**Chile**	**Canada**	**Total**
Project evaluation expenses	$ 1,405,983	$ 59,656	$ 1,465,639
General and administrative expenses	-	310,237	310,237
Foreign exchange (gain)	-	(24,027)	(24,027)
Loss	**$ 1,405,983**	**$ 345,866**	**$ 1,751,849**

December 31, 2021	**Chile**	**Canada**	**Total**
Project evaluation expenses	$ 7,873,277	$ 252,154	$ 8,125,431
General and administrative expenses	-	6,823,959	6,823,959
Foreign exchange (gain)	-	(105,956)	(105,956)
Loss	**$ 7,873,277**	**$ 6,970,157**	**$ 14,843,434**

12. COMMITMENTS AND CONTINGENCIES

The Company's exploration activities are subject to various laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its operations are materially in compliance with all applicable laws and regulations. The Company expects to make expenditures to comply with such laws and regulations.

The Company is party to certain management contracts. These contracts contain minimum commitments of approximately $590,000 with regards to termination pay and additional contingent payments of up to approximately $2.085,000 upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in these condensed interim consolidated financial statements.