Condensed Interim Financial Statements of

WALLBRIDGE MINING COMPANY LIMITED

Three and nine months ended September 30, 2022

(Unaudited)

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Financial Position
(expressed in Canadian Dollars)

(Unaudited)

	Note	September 30, 2022	December 31, 2021
Assets			
Current assets:			
Cash and cash equivalents		$ 21,828,504	$ 38,939,849
Marketable securities		37,500	115,317
Amounts receivable	*5*	21,702,277	32,630,021
Deposits and prepaid expenses		416,587	433,140
Assets held for sale	*6*	53,265,464	-
		97,250,332	72,118,327
Restricted cash	*9*	3,259,845	3,259,845
Amounts Receivable	*5*	9,410,000	-
Investment in associates	*10(a)*	-	1,223,036
Exploration and evaluation assets	*7*	252,547,988	264,310,279
Property and equipment		8,653,616	9,179,141
		$ 371,121,781	$ 350,090,628
Liabilities and Shareholders' Equity			
Current liabilities:			
Accounts payable and accrued liabilities		$ 9,037,500	$ 13,325,403
Current portion of provision for closure plan	*9*	300,000	575,843
Current portion of lease liability		4,679	97,152
Liabilities held for sale	*6*	1,522,037	-
		10,864,216	13,998,398
Lease liability		-	1,415
Provision for closure plan	*9*	1,289,860	2,618,276
Deferred tax liability		23,528,000	13,358,000
		35,682,076	29,976,089
Equity			
Share capital	*11*	410,721,864	391,532,268
Warrants		129,500	129,500
Contributed surplus		11,896,829	10,782,257
Deficit		(87,237,470)	(82,258,468)
Accumulated Other Comprehensive Loss		(71,018)	(71,018)
Total Equity		335,439,705	320,114,539
Commitments and contingencies	*12*		
Subsequent events	*1, 6, 7(e), 7(g), 10(a), 11(b)*		
		$ 371,121,781	$ 350,090,628

See accompanying notes to condensed interim financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Net Loss and Comprehensive Loss
(expressed in Canadian Dollars)

(Unaudited)

	Note	Three months ended September 30, 2022	2021	Nine months ended September 30, 2022	2021
Other expenses and (income):					
General and administrative expenses		$ 1,203,892	$ 849,700	$ 3,632,280	$ 2,955,902
Unrealized loss on marketable securities		45,000	63,612	123,750	647,621
Realized loss on marketable securities		-	17,213	1,366	17,213
Stock based compensation	*11(b)*	237,989	160,455	654,384	609,549
Depreciation of property and equipment		29,650	43,361	112,067	127,190
Costs recovered on termination of contract		-	-	(275,667)	-
Interest income		(234,157)	(86,959)	(505,511)	(273,963)
Other income relating to flow-through share premium	*8*	(2,542,103)	(3,634,177)	(8,621,698)	(6,955,522)
Interest on lease liability		236	1,763	1,889	6,632
Reverse impairment on exploration and evaluation assets	*7*	-	-	(670,156)	-
Other income	*10*	-	-	(150,000)	-
Gain on disposition of assets		(3,553)	-	(3,553)	-
Share of comprehensive loss in investment in associate		10,975	1,497	13,851	3,415
Earnings before income taxes		(1,252,071)	(2,583,535)	(5,686,998)	(2,861,963)
Deferred tax expense		3,449,000	4,271,000	10,666,000	7,861,000
Net loss and comprehensive loss for the period		$ 2,196,929	$ 1,687,465	$ 4,979,002	$ 4,999,037
Weighted average number of common shares - basic and diluted		882,414,242	816,701,678	869,684,678	812,773,102
Net loss per share - basic and diluted		$ 0.00	$ 0.00	$ 0.01	$ 0.01

See accompanying notes to condensed interim financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Statements of Changes in Equity
(expressed in Canadian Dollars)

(Unaudited)

	Number of Shares		Share Capital	Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss		Total
Balance, December 31, 2020	**788,635,216**	**$**	**373,479,125**	**2,764,441**	**11,636,743**	**(74,364,952)**	**(71,018)**	**$**	**313,444,339**
Exercise of warrants	3,585,938		4,148,156	(2,632,971)	-	-	-		1,515,185
Exercise of stock options	400,000		73,896	-	(27,896)	-	-		46,000
Expired warrants	-		-	(1,970)	1,970	-	-		-
Flow-through shares issued on public offering, net of share issuance costs	21,063,400		18,830,713	-	-	-	-		18,830,713
Flow-through share premium on public offering	-		(7,161,556)	-	-	-	-		(7,161,556)
Share based compensation	-		-	-	728,024	-	-		728,024
Deferred share units vested and shares issued	3,666,980		1,863,490	-	(1,863,490)	-	-		-
Deferred share units granted	-		-	-	220,325	-	-		220,325
Shares issued under exploration option agreement	106,500		68,160	-	-	-	-		68,160
Net loss	-		-	-	-	(4,999,037)	-		(4,999,037)
Balance, September 30, 2021	**817,458,034**	**$**	**391,301,984**	**129,500**	**10,695,676**	**(79,363,989)**	**(71,018)**	**$**	**322,692,153**
Balance, December 31, 2021	**818,115,891**	**$**	**391,532,268**	**129,500**	**10,782,257**	**(82,258,468)**	**(71,018)**	**$**	**320,114,539**
Charity Flow-through shares issued on public offering, net of share issuance costs	27,300,000		14,073,402	-	-	-	-		14,073,402
Flow-through shares issued on private placement, net of share issuance costs	36,968,351		13,733,907	-	-	-	-		13,733,907
Flow-through premium liability	-		(8,621,698)	-	-	-	-		(8,621,698)
Share based compensation	-		-	-	855,102	-	-		855,102
Deferred share units granted	-		-	-	260,905	-	-		260,905
Exercise of stock options	30,000		3,985	-	(1,435)	-	-		2,550
Net loss	-		-	-	-	(4,979,002)	-		(4,979,002)
Balance, September 30, 2022	**882,414,242**	**$**	**410,721,864**	**129,500**	**11,896,829**	**(87,237,470)**	**(71,018)**	**$**	**335,439,705**

See accompanying notes to condensed interim financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Condensed Interim Statements of Cash Flows
(expressed in Canadian Dollars)

(Unaudited)

	Nine months ended September 30, 2022	2021
Cash flows from (used in) operating activities:		
Net loss for the period	$ (4,979,002)	$ (4,999,037)
Adjustments for:		
Deferred tax expense	10,666,000	7,861,000
Depreciation of property and equipment	112,067	127,190
Unrealized loss on marketable securities	123,750	647,621
Other income relating to flow-through share premium	(8,621,698)	(6,955,522)
Share based compensation	654,384	609,549
Gain on disposal of assets	(3,553)	-
Reversal of impairment on exploration and evaluation assets	(670,156)	-
Share of comprehensive loss in investment in associate	13,851	3,415
Deferred stock units	175,187	159,700
Interest on lease liability	1,889	6,632
Loss on sale of marketable securities	1,366	17,213
Closure plan disbursements	(482,222)	(476,759)
Changes in non-cash working capital:		
Amounts receivable	400,906	737,158
Deposits and prepaid expenses	16,553	(160,085)
Accounts payable and accrued liabilities	(697,350)	696,836
	(3,288,028)	(1,725,089)
Cash flows from (used in) financing activities:		
Exercise of stock options	2,550	46,000
Exercise of warrants	-	1,515,185
Share proceeds	29,187,570	20,010,230
Share issuance costs	(1,876,261)	(1,605,517)
Lease payments	(89,097)	(103,327)
	27,224,762	19,862,571
Cash flows from (used in) investing activities:		
Exploration and evaluation assets expenditures	(50,480,566)	(48,549,613)
Restricted cash	-	(1,818,740)
Acquistion of equipment	(1,104,203)	(3,479,875)
Exploration and evaluation assets cost recoveries	40,314	177,845
Tax credits received	10,461,372	3,410,864
Proceeds from sale of equipment	3,553	-
Proceeds from sale of marketable securities	31,451	114,156
	(41,048,079)	(50,145,363)
Net decrease in cash and cash equivalents	(17,111,345)	(32,007,881)
Cash and cash equivalents, beginning of the period	38,939,849	85,049,725
Cash and cash equivalents, end of the period	$ 21,828,504	$ 53,041,844

See accompanying notes to condensed interim financial statements.

1. Nature of operations:

Wallbridge Mining Company Limited (**"Wallbridge"** or the **"Company"**) is incorporated under the laws of Ontario and is engaged in the acquisition, exploration, discovery, development and production of metals focusing on gold projects. The Company's head office is located at 129 Fielding Road in Lively, Ontario, Canada.

The Company's primary focus is advancement of the exploration and development of its wholly owned Fenelon Gold property (**"Fenelon"**) located in northwestern Québec. Wallbridge also has interests in several copper, nickel, and platinum group metals **("PGM**") properties, including a 100% interest in the Grasset property in Québec, and a 17.8% interest in Lonmin Canada Inc. (**"Loncan"**) (collectively the **"Nickel Assets"**). On August 16, 2022, Magna Mining Inc. (**"Magna"**) announced a definitive agreement to purchase 100% of Loncan, including the Company's 17.8% interest which increased to 20.4% prior to the completion of the transaction on November 7, 2022 (note 10).

In July 2022, the Company entered into an agreement (note 6) whereby Archer Exploration Corp. (**"Archer"**) will acquire the Company's copper, nickel, and PGM properties, including its interest in Loncan. The assets and liabilities relating to this agreement were classified as held for sale as at June 30, 2022.

While the Company has no sources of revenue, management believes it has sufficient cash resources to meet its obligations and fund planned expenditures and administrative costs for at least the next twelve months. The Company will have to raise funds in the future to finance the advancement of exploration and development of Fenelon and meet future expenditures and administrative costs. Although the Company has been successful in raising funds to date, as evidenced by proceeds raised from equity financing in 2021 and 2022 (note 11), there can be no assurance that adequate financing will be available in the future or available under terms acceptable to the Company.

2. Basis of presentation:

(a) *Statement of compliance*:

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34 – Interim Financial Reporting. These statements do not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements for the year ended December 31, 2021. The accounting policies used in the preparation of these unaudited condensed interim financial statements are consistent with those used in the annual financial statements for the year ended December 31, 2021, with the exception of the following policies:

Property and equipment

Effective January 1, 2022, the Company has adopted the IAS 16 amendment to Property, Plant and Equipment. Under the amendments, proceeds from selling items before the related item of property and equipment is available for use should be recognized in profit or loss, together with the costs of producing those items. IAS 2 Inventories should be applied in identifying and measuring these production costs. The Company has updated its policy to recognize proceeds from selling items before the related item of property and equipment is available for use in profit or loss, together with the costs of producing those items. The Company does not have proceeds from selling items before the related property and equipment is available for use in the current period. There is no impact to the financial statements as a result of this amendment in the current period.

Non-current assets held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying value will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset or disposal group and the sale should be expected to be completed within one year from the date of the classification.

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs of disposal (**"FVLCD"**). If the FVLCD is lower than the carrying amount, an impairment loss is recognized in the Statement of Net Loss and Comprehensive Loss. Costs to sell are the incremental costs directly attributable to the disposal of an asset or asset group, excluding finance costs and income tax expense.

2. Basis of presentation (continued):

(a) Statement of compliance (continued):

Non-current assets are not depreciated or amortized once classified as held for sale. Assets and liabilities classified as held for sale are presented separately as current items in the Company's Statement of Financial Position.

(b) *Judgments and estimates*:

Preparing the condensed interim financial statements requires Management to make certain judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these unaudited condensed interim financial statements, significant judgments and estimates made by Management in applying the accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended December 31, 2021.

(c) *Functional and presentation currency*:

These unaudited condensed interim financial statements are presented in Canadian dollars which is the Company's functional currency.

3. Recent accounting pronouncements:

(a) *IAS 1, Presentation of Financial Statements*

The IASB issued an amendment to IAS 1, Presentation of Financial Statements, to clarify one of the requirements under the standard for classifying a liability as non-current in nature, specifically the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendment includes:

- Specifying that an entity's right to defer settlement must exist at the end of the reporting period;
- Clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement;
- Clarifying how lending conditions affect classification; and
- Clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments.

The Company anticipates no impact to the financial statements as a result of this amendment. The amendment is effective for annual periods beginning on or after January 1, 2023.

(b) *IAS 12, Income Taxes*

In September 2021, IAS 12 was amended to narrow the scope of the recognition exemption so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences such as deferred taxes on leases and decommissioning obligations. The amendment is effective for annual periods beginning on or after January 1, 2023 and applied retrospectively. The Company anticipates no impact to the financial statements as a result of this amendment.

4. Fair value of financial instruments:

Financial assets and liabilities are grouped into three levels based on significant inputs used in measuring the fair value of the financial assets and liabilities. The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

Carrying values for cash and cash equivalents, amounts receivable, and accounts payable and accrued liabilities approximates their fair value due to their short term maturities.

At September 30, 2022, the Company holds investments in Goldseek Resources Inc. which are classified as marketable securities and carried at fair value through profit and loss (**“FVTPL”**) and classified as level 1 at $37,500 (December 31, 2021 - $115,317).

The Company’s lease liabilities are classified as level 2. The fair values of lease liabilities are calculated using discounted cash flows based on the cost of borrowing.

(Expressed in Canadian Dollars)

5. Amounts receivable:

	September 30, 2022	December 31, 2021
Harmonized Sales Tax and Quebec Sales Tax	$ 1,314,214	$ 1,721,809.
Quebec tax credits	29,439,800	30,566,507.
Other receivables	358,263	341,705.
	$ 31,112,277	$ 32,630,021.
Current portion of amounts receivable	(21,702,277)	(32,630,021)
Long term portion of amounts receivable	$ 9,410,000	$ -.

The Company is entitled to refundable tax credits and tax credits on qualified exploration expenditures incurred in Quebec. Of the $29,439,800 Quebec tax credits at September 30, 2022 on qualified exploration expenditures incurred in Quebec, $9,410,000 relates to 2022 expenditures and $20,029,800 relates to 2021 expenditures. Of the $30,566,507 Quebec tax credits at December 31, 2021, $20,113,000 relates to 2021 expenditures, $9,829,337 relates to 2020 expenditures, and $624,170 relates to 2019 expenditures. The Company received $10,461,372 in respect of the 2019 and 2020 tax credit claims in 2022.

(Expressed in Canadian Dollars)

6. Assets and liabilities held for sale:

On July 12, 2022, the Company entered into a definitive agreement to sell the property, assets, rights and obligations related to its Nickel Assets. The closing of the transaction is expected to be completed in the fourth quarter of 2022.

As the sale was considered highly probable at June 30, 2022, the assets and liabilities of the Nickel Assets were classified as assets and liabilities (a disposal group) held for sale and presented separately under current assets and current liabilities, respectively, on the Company's Statement of Financial Position. The sale continues to be highly probable at September 30, 2022.

At September 30, 2022, the Nickel Assets were stated at carrying value, which was determined to be the lower of carrying value and FVLCD, as follows:

	Note	
Exploration and evaluation assets(1)	7	$ 51,963,102
Investment in associate	10	1,209,185
Property and equipment	-	93,177
Total assets held for sale		**$ 53,265,464**
Closure plan liabilities – Broken Hammer Project	9	$ 1,522,037
Total liabilities held for sale		**$ 1,522,037**

(1) The exploration and evaluation assets included in the Nickel Assets are certain claims relating to Grasset, the Sudbury properties relating to the Loncan exploration joint venture agreements, Jeremie and RUM properties included in Other Quebec Properties, Other Sudbury Properties and Other Ontario Properties.

Under the terms of the Agreement, Wallbridge will receive consideration of 66,211,928 post-consolidation common shares of Archer (198,635,786 pre-consolidation common shares of Archer). Immediately prior to the closing date of the transaction, Archer will consolidate its common shares at a rate of three pre-consolidation shares for one post-consolidation share. Archer will proceed with a private placement of securities to raise gross proceeds of not less than $10,000,000 (the **"Financing"**) to be completed on or before the closing of the Transaction. Under the terms of the Transaction, Wallbridge has agreed to make a distribution of Archer shares to Wallbridge shareholders (the **"Distribution"**) within 60 days of closing of the Transaction, such that following the Distribution Wallbridge would retain a 19.9% basic ownership interest in Archer, after giving effect to, among other things, the Financing.

6. Assets and liabilities held for sale (continued):

Archer will grant Wallbridge a royalty equal to 2% of net smelter returns less the amount of any pre-existing royalties on encumbered portions of the Grasset property. In certain circumstances, Wallbridge will be granted a right of first refusal to acquire any new royalties sold by Archer on the Grasset property.

Wallbridge will have the right to nominate two directors to Archer's board of directors, pursuant to the terms of an investor rights agreement to be entered into in connection with Closing. Such agreement will also provide, among other things, that for so long as Wallbridge holds at least 10% of the issued and outstanding shares of Archer, it will have a pro rata pre-emptive right, top-up rights and a standard piggyback registration right subject to underwriter cutback.

Wallbridge and Archer will also enter into an exploration cooperation agreement concerning the Grasset property in connection with Closing (the "Exploration Agreement"). The Exploration Agreement applies to the Grasset property but excludes those portions which include the mineral resource on such property (the "Gold Cooperation Area"). Pursuant to the Exploration Agreement, Wallbridge will be granted the right to explore the Gold Cooperation Area for gold in certain circumstances. If the results from either Wallbridge's or Archer's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary gold mineralization, then the parties will form a joint venture in which Archer will have a 30% interest and Wallbridge will have a 70% interest. If the results from Wallbridge's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary mineralization other than gold, then the parties will form a joint venture in which Archer will have a 70% interest and Wallbridge will have a 30% interest. The purpose of any such joint ventures will be to explore, develop and operate such mineral resource. The Exploration Agreement has a term of five years and is subject to earlier termination in certain circumstances.

The Transaction is subject to certain closing conditions specified in the Agreement, including completion of the Financing and other customary closing conditions for a transaction of this nature, including receipt of approval by the Canadian Securities Exchange and other required regulatory approvals.

Archer Shares distributed to Wallbridge shareholders pursuant to the Distribution will be subject to a statutory four-month hold. The number of Archer Shares to be distributed per common share of Wallbridge will be fixed at a later date.

Within 90 calendar days after the closing of the Transaction, $361,245 will be released from the Company's restricted cash as Archer is required to replace the letter of credit held by Wallbridge relating to the Broken Hammer Project (note 9).

(Expressed in Canadian Dollars)

7. Exploration and evaluation assets:

Total exploration and evaluation expenditures are detailed as follows:

	Balance December 31 2021	Expenditures	Disposition/ Recovery	Impairment Reversal	Classified as held for sale (note 6)	Balance, September 30, 2022
Fenelon (a)	$ 152,617,394	39,866,309	(8,622,534)	-	-	$ 183,861,169
Martinière (b)	30,431,707	7,061,767	(439,000)	-	-	37,054,474
Grasset (c)	28,624,217	952,256	(283,000)	-	(27,627,000)	1,666,473
Detour East (d)	14,083,479	864	-	-	-	14,084,343
Hwy 810	4,428,526	-	-	-	-	4,428,526
Other Quebec Properties (e)	17,544,206	867,117	-	-	(7,803,746)	10,607,577
Beschefer (f)	923,623	553	(78,750)	-	-	845,426
Sudbury Properties subject to Loncan exploration joint venture agreements (g)	12,342,259	173,682	(40,314)	-	(12,475,627)	-
Other Sudbury Properties	3,314,868	1,186	-	-	(3,316,054)	-
Other Ontario Properties (h)	-	70,519	-	670,156	(740,675)	-
	$ 264,310,279	48,994,253	(9,463,598)	670,156	(51,963,102)	$ 252,547,988

(Expressed in Canadian Dollars)

7. Exploration and evaluation assets (continued):

	Balance December 31, 2020	Expenditures	Impairment	Disposition/ Recovery	Balance, December 31, 2021
Fenelon (a)	$ 106,476,588	66,341,343	-	(20,200,537)	$ 152,617,394
Martinière (b)	28,022,654	2,409,053	-	-	30,431,707
Grasset (c)	27,722,680	901,537	-	-	28,624,217
Detour East (d)	14,082,918	561	-	-	14,083,479
Hwy 810	4,412,159	16,367	-	-	4,428,526
Other Quebec Properties (e)	16,675,477	1,494,729	-	(626,000)	17,544,206
Beschefer (f)	1,105,000	6,123	-	(187,500)	923,623
Sudbury Properties subject to Loncan exploration joint venture agreements (g)	12,056,396	468,754	-	(182,891)	12,342,259
Other Sudbury Properties	3,300,871	13,997	-	-	3,314,868
Other Ontario Properties	628,785	90,491	(719,276)	-	-
	$ 214,483,528	71,742,955	(719,276)	(21,196,928)	$ 264,310,279

(a) *Fenelon, Québec:*

Fenelon is located in the Nord-du-Québec administrative region, approximately 75 km west-northwest of the town of Matagami, in the province of Québec, Canada. Wallbridge owns a 100% undivided interest in Fenelon which is subject to three separate royalties equaling to 4% net smelter return royalty (**"NSR"**) on any future production on 19 claims and one lease and subject to 0% to 1% NSR on any future production on the remaining claims. Buyout provisions exist for a portion of these royalties.

Included in the nine months of 2022 expenditures of $39,866,309 are $38,321,908 of exploration costs, depreciation of capital assets of $1,343,683, and stock option expense of $200,718. Recovery of $8,622,534 is from Quebec refundable tax credits relating to 2022 expenditures and 2021 adjustments in the nine months ended September 30, 2022.

7. Exploration and evaluation assets (continued):

(a) Fenelon, Québec (continued):

Included in the 2021 expenditures of $66,341,343 are $64,678,828 of exploration costs, depreciation of capital assets of $1,488,621, and stock option expense of $173,894. Recovery of $20,200,537 is $19,487,000 from Québec refundable tax credits relating to 2021 expenditures and $713,537 is from Québec refundable tax credits and tax adjustments resulting from tax audits for prior years.

(b) Martinière, Québec:

The Martinière project is located approximately 30 km west of Fenelon and is part of the Detour-Fenelon Gold Trend land. The Company owns 100% interest in the Martinière property.

Included in the 2022 expenditures of $7,061,767 is a $400,000 increase to the closure plan relating to a change in the estimate in the period (note 9). Recovery of $439,000 is from Quebec refundable tax credits relating to 2022 expenditures in the nine months ended September 30, 2022.

There is a 2% NSR royalty on the majority of the Martinière property and payable on commencement of commercial production.

(c) *Grasset, Québec*:

The Company owns 100% interest in the Grasset Property. The Grasset property is located immediately east of and adjoins the Fenelon Property. Claims relating to nickel assets with a historical book value of $27,627,000 have been classified to assets held for sale (note 6). The remaining carrying value of $1,666,473 relates to claims retained by the Company.

Recovery of $283,000 is from Quebec refundable tax credits relating to 2022 expenditures in the nine months ended September 30, 2022. The recovery relates to the claims retained by the Company.

(Expressed in Canadian Dollars)

7. Exploration and evaluation assets (continued):

(d) Detour East, Québec:

The Company owns a 100% interest in the majority of claims on the Detour East property and the Company is the operator of an exploration joint venture consisting of 18 claims on the Detour East property (collectively the **"Detour East property"**). There is an NSR royalty of 2%, which relates to the entirety of the property, payable to a former property owner, which may be repurchased at any time for $1,000,000 for the first 50% of the NSR interest and $2,000,000 for the remainder.

On November 23, 2020, the Company entered into an option agreement (**"the Detour Option Agreement"**) with Agnico Eagle Mines Limited (**"Agnico"**). Under the terms of the Detour Option Agreement, the Company granted Agnico the option to acquire up to an undivided 50% interest in the Detour East property by funding expenditures of $7,500,000 over five years, with a minimum commitment of $2,000,000 in the first two years ($500,000 by the first anniversary and $1,500,000 by the second anniversary of entering into the agreement). As at September 30, 2022, Agnico has satisfied the first and second anniversary minimum commitment of $2,000,000 and excess expenditures will be carried forward to the final minimum commitment under the option agreement of $5,500,000 on or before November 23, 2025.

(e) *Other Québec Properties*:

On March 16, 2021, the Company and Midland Exploration Inc. (**"Midland"**) amended the agreement on the Casault property to change the initial spending requirement of $750,000 by June 30, 2021 to $1,250,000 by December 31, 2021, and $500,000 to be spent by June 30, 2022 such that costs of $1,750,000 were to be incurred by June 30, 2022. As at September 30, 2022, the Company has incurred total expenditures of $1,965,702 which includes a 10% administration fee. The excess spending of $215,702 will be applied towards the June 30, 2023 commitment of $1,250,000. On November 4, 2022, the Company and Midland amended the agreement on the Casault property to extend the June 30, 2023 spending requirement of $1,250,000 to on or before December 31, 2023.

The remaining expenditures and cash payments to earn the initial undivided interest under the Casault Agreement are as follows:

	Expenditures	Cash payments
On or before June 30, 2023		$ 130,000
On or before December 31, 2023	$ 1,034,298	-
On or before June 30, 2024	2,000,000	150,000
	$ 3,034,298	$ 280,000

The Casault property is subject to an NSR of 1% which the mining claims holder has the right to buy half of the royalty for $1,000,000 or 100% of the royalty for $2,000,000.

(Expressed in Canadian Dollars)

7. Exploration and evaluation assets (continued):

(e) *Other Québec Properties (continued)*:

The RUM and Jeremie properties included in Other Québec Properties with carrying values of $5,437,746 and $2,366,000 respectively have been classified as assets held for sale (note 6). The remaining carrying value of $10,607,577 relates to Other Québec Properties retained by the Company.

(f) *Beschefer*:

On February 26, 2021, the Company entered into an option agreement with Goldseek Resources Inc. (**"Goldseek"**) for Goldseek to earn a 100% interest in the Beschefer Property, located in the province of Quebec. Goldseek can exercise its option by incurring aggregate expenditures and issuing shares in Goldseek over a four year period as follows:

	Expenditures	Common shares to be issued
Upon execution of the agreement - completed	$ -	750,000
On or before February 26, 2022 - completed	500,000	750,000
On or before February 26, 2023	750,000	750,000
On or before February 26, 2025	1,750,000	2,033,672
	$ 3,000,000	4,283,672

The Company received 750,000 common shares with a fair value of $187,500 of Goldseek on March 9, 2021 upon execution of the agreement. The Company received an additional 750,000 common shares with a fair value of $78,750 on February 8, 2022. In accordance with the Company's accounting policy, this amount was credited to the related exploration and evaluation asset. The Company does not record any expenditures made by Goldseek.

As at September 30, 2022, Goldseek satisfied the first and second anniversary minimum expenditure commitment of $500,000 and $750,000 respectively and excess expenditures will be carried forward to the third anniversary minimum commitment under the option agreement.

Goldseek may accelerate its expenditures and the option will be effectively exercised when they have incurred expenditures which total $3,000,000 and issue 4,283,672 common shares.

The Beschefer property is subject to a 1% and a 2% net smelter return royalty on any future commercial production.

7. Exploration and evaluation assets (continued):

(g) *Sudbury Properties subject to Loncan exploration joint venture agreements*:

The Company has classified the carrying value of $12,475,627 of the properties subject to Loncan exploration joint venture agreements as held for sale (note 6) as at June 30, 2022.

*Impala Platinum Holdings Limited (**"Impala"**) Agreement*

Subject to an option and joint venture agreement with Impala on its Parkin properties, Impala earned a 49.6% interest and Wallbridge had a 50.4% interest at December 31, 2014. The Company entered into an option agreement with Impala effective December 31, 2014 to purchase Impala's 49.6% interest on its Parkin properties by making cash payments over five years. The Company has made all payments but the final option payment of $1,500,000.

In April 2022, the Company and Impala agreed to extend the final option payment to June 30, 2023 by the Company making a $100,000 payment by June 30, 2022.

On July 25, 2022, the Company and Impala agreed to an addendum to the Impala option agreement such that the deferral payments made by the Company from 2019 to 2022 of $500,000 be applied to reduce the final option payment from $1,500,000 to $1,000,000. The final option payment is payable before June 30, 2023 to acquire Impala's interest.

The Company may exercise this option at its discretion.

This option agreement is included in the Archer transaction (note 6) and will be assigned to Archer upon completion of the transaction.

(h) *Other Ontario Properties*:

These properties were classified as held for sale (note 6) as at June 30, 2022.

In the nine months ended September 30, 2022, the Company identified the renewal of the land claims for the Gargoyle property for the Archer transaction (note 6) as an indicator for impairment reversal and reversed the impairment recorded in the year ended December 31, 2021 of $670,156.

(Expressed in Canadian Dollars)

8. Flow-through premium liability and commitment for qualifying flow-through expenditures:

Balance, December 31, 2020	$	20,000
Premium recorded through flow-through proceeds		7,161,556
Other income recorded as flow-through expenditures incurred		(7,181,556)
Balance, December 31, 2021	$	-
Premium recorded through flow-through proceeds		8,621,698
Other income recorded as flow-through expenditures incurred		(8,621,698)
Balance, September 30, 2022	$	-

The Company had incurred and renounced effective December 31, 2021, qualifying Canadian exploration expenses (**"CEE"**) of $20,010,230.

The Company has committed to incurring and renouncing CEE of $29,187,570 by December 31, 2023. The Company has spent $29,187,570 as at September 30, 2022.

The Company recorded premiums of $8,621,698 in connection with the charity flow-through financing (note 11 (a)(i)) and private placement flow-through financing (note 11(a)(ii)) completed in the nine months ended September 30, 2022 (December 31, 2021 - $7,161,556). The Company estimates the proportion of the proceeds attributable to the flow-through premium as the excess of the subscription price over the market value of the shares and records this value as a liability at the time the shares are issued.

As qualifying expenditures are incurred, the Company recognizes a pro-rata reduction of the flow-through premium liability as other income in the statements of net loss and comprehensive loss.

(Expressed in Canadian Dollars)

9. Provision for Closure Plans:

	September 30, 2022	December 31, 2021
Broken Hammer Project	$ 1,522,037	$ 2,004,259
Classified as liabilities held for sale (note 6)	(1,522,037)	-
Fenelon	1,089,860	1,089,860
Martinière	500,000	100,000
Provision for closure plan	$ 1,589,860	$ 3,194,119

The following is a reconciliation of the provision for closure plan amounts:

	September 30, 2022	December 31, 2021
Provision for closure plan, beginning of the period	$ 3,194,119	$ 3,743,989
Change in estimate of closure plan expenditures on Martinière	400,000	-
Closure plan expenditures – Broken Hammer Project	(482,222)	(549,870)
Provision for closure plans, end of the period	$ 3,111,897	$ 3,194,119
Current portion	(300,000)	(575,843)
Classified as liabilities held for sale (note 6)	(1,522,037)	-
Provision for closure plan, long term	$ 1,289,860	$ 2,618,276

The Company determined the impact of discounting the future closure expenditures as at September 30, 2022 and December 31, 2021 is immaterial and as such, no discount rate has been applied in determining the closure provision. The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing. As at September 30, 2022, the closure plan liability related to the Broken Hammer Project has been classified as a liability held for sale (note 6).

The long term balance of $1,089,860 on Fenelon is expected to be incurred between 2024 and 2029. The current balance of $300,000 on Martinière is expected to be incurred in late 2022 and early 2023 and the long-term balance of $200,000 is expected to be incurred in 2024. The closure plan liability at Fenelon is based on the current closure plan which may be required to be amended based on future activities on the property. The subsequent changes to the closure plan liability at Martinière were based on management's best estimates for the requirements.

At September 30, 2022 and December 31, 2021, the Company has one-year renewable letters of credit, secured by cash and cash equivalents, of $3,259,845 supporting the closure plans. Pursuant to the Archer agreement (note 6), the letter of credit of $361,245 relating to the Broken Hammer Project closure plan will be released from the Company's restricted cash within 90 calendar days of the agreement closing as Archer is required to replace the letter of credit.

(Expressed in Canadian Dollars)

10. Related party transactions:

The Company had the following transactions with related parties:

	Three months ended September 30, 2022	Three months ended September 30, 2021	Nine months ended September 30, 2022	Nine months ended September 30, 2021
Loncan (a)				
Recovery of costs billed to Loncan plus 10% fee	$ -	$ (23,001)	$ (44,575)	$ (197,413)
Other income related to milestone reached	-	-	(150,000)	-
William Day Holdings Limited (**"William Day"**) (b)				
Broken Hammer Project closure plan expenditures	-	-	-	5,375
Gemibra Media (c)				
Social media services	14,100	12,000	42,300	37,100

(a) The Company owns 17.8% of Loncan (December 31, 2021 – 17.8%) which has a book value of $1,209,185 as at September 30, 2022 (December 31, 2021 - $1,223,036). The investment is included in the Archer transaction (note 6). Effective October 28, 2019, the Company has an operatorship agreement with Loncan and receives a 10% fee on exploration expenditures incurred in Loncan. One director of the Company and William Day are minority shareholders of Loncan and the Company has representation on the board of directors of Loncan. At September 30, 2022, the Company has a receivable from Loncan of $312,865 (December 31, 2021 - $156,486). The receivable was settled with 1,042,950 shares of Loncan which increased the Company's ownership to 20.4% prior to the sale of shares on November 7, 2022. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

On August 16, 2022, Magna announced a definitive agreement to purchase 100% of Loncan, including the Company's 17.8% interest (20.4% prior to the closing of the transaction). The acquisition was completed on November 7, 2022 pursuant to the terms of the purchase agreement entered into with Loncan and the shareholders of Loncan, being Sibanye UK Limited (formerly Lonmin Limited, and a subsidiary of Sibanye Stillwater Limited), Wallbridge, and certain other minority shareholders of Loncan. The aggregate purchase price for the outstanding shares of Loncan is equal to $16,000,000, comprised of a closing payment of $13,000,000 in cash and a deferred payment of $3,000,000, payable pro rata to the shareholders. The deferred payment is payable on or before the 12-month anniversary of the closing of the acquisition on November 7, 2022. Magna will use commercially reasonable efforts to settle the deferred payment also in cash, but may, at its option, settle the deferred payment in common shares priced at the time of issue in accordance with the rules of the TSX Venture Exchange. As ongoing security pending the settlement of the deferred payment, Magna has agreed to grant a pledge of the shares of Loncan in favour of the shareholders.

10. Related party transactions (continued):

Loncan's joint venture arrangements with Wallbridge terminated concurrently with closing.

The purchase by Magna was completed on November 7, 2022. Wallbridge received cash proceeds of $2,652,997 and will receive a payment of $612,230 to be settled with Magna shares or cash on or before the 12 month anniversary of closing. The cash and deferred payment will be transferred to Archer once the sale of the Nickel Assets is closed (note 6).

(b) Shawn Day is a director and the President of William Day and became a director of the Company in 2017. William Day provided services to the Company as noted above. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(c) A principal of Gemibra Media is a close family member of Marz Kord, the President and CEO, and director of the Company. At September 30, 2022, the Company has a payable to Gemibra Media of $5,311 (December 31, 2021 - $4,520). In March 2021, the Company entered into two agreements to provide social media, website and video production services for a total of $4,000 per month for a term of ten months. In January 2022, the Company entered into two agreements to provide social media, website and video production services for a total of $4,700 per month for a term of twelve months. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(Expressed in Canadian Dollars)

11. Shareholders' equity:

(a) Share capital transactions:

	Number of shares	Share capital
Balance, December 31, 2021	818,115,891	$391,532,268
"Bought deal" Public Offering – charity flow-through shares (i)	27,300,000	15,015,000
Private Placement – flow-through shares (ii)	36,968,351	14,172,570
Issuance costs allocated to shares (i) (ii)	-	(1,380,261)
Flow-through premium (i) (ii)	-	(8,621,698)
Shares issued upon exercise of stock options (iii)	30,000	3,985
Balance, September 30, 2022	882,414,242	$410,721,864

(i) On February 24, 2022, the Company completed a "bought deal" public offering through the issuance of an aggregate of 27,300,000 charity flow-through common shares of the Company at a price of $0.55 (the **"Offering Price"**) per charity flow-through share for gross proceeds of $15,015,000 to the Company. The charity flow-through shares were issued and sold pursuant to the terms of an underwriting agreement dated February 8, 2022. The Underwriters were paid a cash commission of 6% on the gross proceeds of the Offering.

In connection with the Offering, Agnico was one of the back-end buyers and acquired 6,362,519 common shares to maintain its ownership interest in the Company at approximately 9.9% (on a non-diluted basis) in accordance with the non-dilution rights granted to Agnico by the Company pursuant to a participation agreement between the Company and Agnico dated December 6, 2019. William Day also participated as a back-end buyer and acquired 1,612,903 common shares of the Company.

In respect of the Offering, the charity flow-through shares were offered by way of a short form prospectus dated February 18, 2022, filed in all of the provinces of Canada. The gross proceeds from the sale of the charity flow-through shares will be used to support the Company's 2022 exploration program at the Company's Quebec properties on the Detour-Fenelon Gold Trend.

The Company recorded a flow-through share premium and a corresponding deferred liability of $6,279,000 (note 8).

Share issuance costs of approximately $1,279,598 for the public offering were charged as a reduction of share capital, net of tax impact of $338,000.

(Expressed in Canadian Dollars)

11. Shareholders' equity (continued):

(a) Share capital transactions (continued):

(ii) On February 24, 2022, the Company completed a non-brokered private placement of 24,611,351 National flow-through common shares (**"National FT shares"**) and 12,357,000 Quebec flow-through common shares (**"Quebec FT shares"**) for aggregate gross proceeds of $14,172,570. The National FT shares were issued at a price of $0.37 and the Quebec FT shares at a price of $0.41. In connection with the private placement, the Company paid a cash finder's fee of 4%. The gross proceeds from the sale of the flow-through shares will be used to support the Company's 2022 exploration program at the Company's Quebec properties on the Detour-Fenelon Gold Trend.

The Company recorded a flow-through share premium and corresponding deferred liability of $2,342,698 (note 8). Share issuance costs of approximately $596,663 for the private placement were charged as a reduction of share capital, net of tax impact of $158,000.

(iii) During the nine months ended September 30, 2022, 30,000 common shares were issued upon exercise of stock options at an average price of $0.085 for total proceeds of $2,550. Value of the stock options exercised of $1,435 is included in share capital.

(b) Share Based Compensation Plan:

A summary of the Company's stock options are as follows:

	September 30, 2022		December 31, 2021	
Stock Options	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, beginning of period	12,645,436	$0.59	9,519,724	$0.59
Granted	10,350,500	$0.36	4,930,012	$0.64
Cancelled	(1,092,468)	$0.51	(45,700)	$0.64
Expired unexercised	(1,763,724)	$0.97	(1,283,600)	$0.92
Exercised	(30,000)	$0.085	(475,000)	$0.11
Outstanding, end of period	20,109,744	$0.45	12,645,436	$0.59

(Expressed in Canadian Dollars)

11. Shareholders' equity (continued):

(b) Share Based Compensation Plan (continued):

At September 30, 2022, 7,736,090 stock options were exercisable (December 31, 2021 – 8,255,724). The weighted average exercise price of options exercisable at September 30, 2022 is $0.48 per share (December 31, 2021 - $0.57). The weighted average remaining contractual life of stock options outstanding is 4.83 years (December 31, 2021 – 3.51 years).

For the three months ended September 30, 2022 $237,989 (three months ended September 30, 2021 - $160,455) of expense relating to stock options was recorded in share based compensation, and $48,007 (three months ended September 30, 2021 - $45,935) was capitalized to exploration and evaluation assets. For the nine months ended September 30, 2022, $654,384 (nine months ended September 30, 2021 - $609,549) of expense relating to stock options was recorded in share based compensation, and $200,718 (nine months ended September 30, 2021 - $118,475) was capitalized to exploration and evaluation assets.

On March 28, 2022, 9,236,900 stock options were granted at an exercise price of $0.385 which will expire on March 28, 2029. Upon resignation of employees during the three months ended September 30, 2022, 660,400 stock options were cancelled as they did not vest. The remaining stock options will vest over three years (approximately 2,858,833 per year) on March 28, 2023, March 28, 2024, and March 28, 2025.

On August 22, 2022, 1,113,600 stock options were granted at an exercise price of $0.18 which will expire on August 22, 2029. The stock options will vest equally over three years beginning on August 22, 2023.

The fair value of stock options granted during the nine months ended September 30, 2022 has been estimated using the Black-Scholes pricing model to be $1,782,316 or $0.17 per common share.

The assumptions used in the pricing model are as follows:

	September 30, 2022	December 31, 2021
Estimated risk free interest rate	2.27% to 2.84%	0.54% to 0.58%
Expected life	3.3 years	3.2 years
Expected volatility *	70.4% to 71.9%	81.2% to 85.3%
Expected dividends	$Nil	$Nil
Forfeiture rate *	3% to 4.4%	3.2% to 3.3%

* The expected volatility used was based on the historical volatility of the Company's share price over a period equivalent to the expected life of the options prior to their grant date. The forfeiture rate is based on historical rate of forfeitures at the time of stock option grant.

(Expressed in Canadian Dollars)

11. Shareholders' equity (continued):

(b) Share Based Compensation Plan (continued):

The following table summarizes the stock options outstanding at September 30, 2022:

Exercise Price	Number	Exercisable	Expiry Date
$0.93	16,000	16,000	October 24, 2022
$0.64	10,166	10,166	October 24, 2022
$0.075	100,000	100,000	November 9, 2022
$0.64	10,166	10,166	November 25, 2022
$0.93	8,000	8,000	November 25, 2022
$0.075	450,000	450,000	July 5, 2023
$0.25	191,700	191,700	September 7, 2023
$0.165	400,000	400,000	December 7, 2023
$0.155	1,275,000	1,275,000	January 3, 2024
$0.175	200,000	200,000	January 28, 2024
$0.25	624,800	624,800	April 12, 2024
$0.42	200,000	200,000	July 21, 2024
$0.785	200,000	200,000	December 8, 2024
$0.66	1,597,500	1,597,500	January 30, 2025
$0.93	1,011,000	1,011,000	May 11, 2025
$0.77	100,000	100,000	December 12, 2025
$0.64	3,389,500	1,129,822	March 19, 2028
$0.61	280,312	93,437	June 15, 2028
$0.60	240,200	80,066	September 1, 2028
$0.61	115,300	38,433	September 13, 2028
$0.385	8,576,500	-	March 28, 2029
$0.18	1,113,600	-	August 22, 2029
Outstanding options	20,109,744	7,736,090	

(Expressed in Canadian Dollars)

11. Shareholders' equity (continued):

(b) Share Based Compensation Plan (continued):

A summary of the Company's Deferred Stock Units (**"DSUs"**) are as follows:

	September 30, 2022	December 31, 2021
DSUs	Number	Number
Outstanding, beginning of year	2,719,818	6,420,004
Granted for settlement of prior year's director's fees	219,792	77,924
Granted for settlement of current year's director's fees	727,274	471,727
Exercised	-	(4,249,837)
Outstanding, end of period	3,666,884	2,719,818

In January 2022, a total of 219,792 (2021 – 77,924) DSUs were granted to the directors of the Company in settlement of the fourth quarter of 2021 directors' fees owing of $85,718 (2020 - $60,625). In April 2022, 263,561 DSUs were granted to the directors of the Company in settlement of the first quarter of 2022 directors fees owing of $91,718. In August 2022, 463,713 DSUs were granted to the directors of the Company in settlement of the second quarter of 2022 directors fees owing of $83,468. In October 2022, 569,227 DSUs were granted to the directors of the Company in settlement of the third quarter of 2022 directors fees owing of $81,969.

(c) Share purchase warrants:

Each warrant entitles the holder to purchase one common share.

At September 30, 2022, the Company has reserved shares for issuance as follows:

	September 30, 2022		December 31, 2021	
Warrants	Number	Average Price	Number	Average Price
Outstanding, beginning of period	500,000	$1.00	4,088,423	$0.49
Expired unexercised	-	-	(2,485)	$0.43
Exercised	-	-	(3,585,938)	$0.35
Outstanding, end of period	500,000	$1.00	500,000	$1.00

No warrants were issued during the nine months ended September 30, 2022.

There are 500,000 warrants outstanding and exercisable as at September 30, 2022 with an exercise price of $1.00 which expire on March 17, 2025.

12. Commitments and contingencies:

Contingencies:

Various legal, tax and environmental matters are outstanding from time to time due to the nature of the Company's operations. While the final outcome with respect to actions outstanding or pending at September 30, 2022 cannot be predicted with certainty, it is management's opinion that it is more likely than not that these actions will not result in the outflow of resources to settle the obligation; therefore, no amounts have been accrued.

Commitments:

(i) In December 2020, the Company signed an agreement with McGill University to sponsor a research project on the Detour-Fenelon Gold property for $240,000 which is payable at $60,000 per year for four years. The first payment was made in January 2021 and the second payment was made in December 2021.

(ii) The Company has committed to contributing up to $1,500,000 to improve and upgrade the road that will facilitate access to the Sunday Lake geological fault located near Matagami, Québec. The total road improvement and upgrade costs are estimated to be $6,500,000 with the balance of the costs to be contributed by the Government of Québec. The first payment of $54,698 will be made by the Company in 2022 with the balance of the Company's commitment estimated to be paid in 2023.