MURCHISON MINERALS LTD.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in Canadian Dollars)

(Unaudited)

NOTICE TO READER

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of management. The unaudited condensed interim consolidated financial statements have not been reviewed by the Company's auditor.

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
(Unaudited)
As at

		March 31, 2022		December 31, 2021
ASSETS				
Current Assets				
Cash	$	2,848,518	$	1,792,033
Amounts receivable and prepaid expenses (Note 6)		476,809		319,396
Total current assets		3,325,327		2,111,429
Investment (Note 7)		2,411		2,584
Property and equipment (Note 8)		107,705		110,864
Total assets	**$**	**3,435,443**	**$**	**2,224,877**
LIABILITIES				
Current Liabilities				
Accounts payable and accrued liabilities	$	37,543	$	211,305
Loan payable (Note 15)		10,578		10,578
Flow-through share premium liability		156,458		191,896
Total current liabilities		204,579		413,779
Loan payable (Note 15)		27,506		29,385
Total liabilities		232,085		443,164
EQUITY				
Share capital (Note 10)		38,071,782		35,881,469
Reserves (Notes 11 and 12)		1,628,005		1,876,352
Deficit		(36,496,429)		(35,976,108)
Total equity		3,203,358		1,781,713
Total equity and liabilities	**$**	**3,435,443**	**$**	**2,224,877**

Nature and Continuance of Operations (Note 1)
Commitments and Contingencies (Note 14)
Subsequent events (Note 16)

Approved on Behalf of the Board:

"signed"
Jean-Charles Potvin
Director

"signed"
Denis Arsenault
Director

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

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended March 31,	2022	2021
EXPENSES		
Exploration expenses (Note 9)	$ 234,678	$ 1,153,908
Professional fees	13,786	8,219
Management fees and salaries (Note 13)	114,497	90,781
Office and general	21,714	14,230
Regulatory and transfer agent	84,945	12,726
Investor relations	128,809	34,379
Share-based payments (Notes 12 and 13)	20,490	4,346
Loss before the under noted	**618,919**	**1,318,589**
Interest income	(1,966)	(1,636)
Other income	(24,000)	-
Flow-through shares premium	(35,438)	(49,438)
Unrealized loss on marketable securities (Note 7)	172	345
Loss for the period	**$ 557,687**	**$ 1,267,860**
Loss per share - basic and diluted	**$ 0.00**	**$ 0.01**
Weighted average number of common shares outstanding - basic and diluted	160,264,256	101,825,066

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MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF EQUITY
(Expressed in Canadian Dollars)
(Unaudited)

		Reserves			
	Share Capital	Equity settled share-based payments reserve	Warrants reserve	Deficit	Total
Balance, December 31, 2020	**$ 32,305,495**	**$ 833,830**	**$ 185,875**	**$ (31,327,782)**	**$ 1,997,418**
Net loss for the period	-	-	-	(1,267,860)	(1,267,860)
Issuance of common shares (net of issue costs)	643,788	-	-	-	643,788
Issuance of stock options / share-based compensation	-	4,346	-	-	4,346
Issuance of warrants	-	-	114,357	-	114,357
Balance, March 31, 2021	**$ 32,949,283**	**$ 838,176**	**$ 300,232**	**$ (32,595,642)**	**$ 1,492,049**
Balance, December 31, 2021	**$ 35,881,469**	**$ 1,162,025**	**$ 714,327**	**$ (35,976,108)**	**$ 1,781,713**
Net loss for the period	-	-	-	(557,687)	(557,687)
Issuance of common shares (net of issue costs)	1,884,390	-	-	-	1,884,390
Issuance of stock options / share-based compensation	-	20,490	-	-	20,490
Issuance of warrants	-	-	74,452	-	74,452
Exercise of warrants	305,923	-	(305,923)	-	-
Expiry of warrants	-	-	(37,366)	37,366	-
Balance, March 31, 2022	**$ 38,071,782**	**$ 1,182,515**	**$ 445,490**	**$ (36,496,429)**	**$ 3,203,358**

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

MURCHISON MINERALS LTD.
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
(Unaudited)

Three Months Ended March 31,	2022	2021
CASH (USED IN) PROVIDED BY:		
OPERATING ACTIVITIES		
Loss for the period	$ (557,687)	$ (1,267,860)
Share-based payments	20,490	4,346
Flow-through shares premium	(35,438)	(49,438)
Unrealized loss on marketable securities	173	345
Amortization	9,761	4,113
	(562,701)	(1,308,494)
Net change in non-cash working capital items:		
Amounts receivable and prepaid expenses	(157,413)	(312,980)
Accounts payable and accrued liabilities	(173,762)	77,222
Net cash flows used by operating activities	(893,876)	(1,544,252)
INVESTING ACTIVITIES		
Acquisition of property and equipment	(6,602)	-
Net cash flows used by investing activities	(6,602)	-
FINANCING ACTIVITIES		
Issuance of common shares	1,959,786	800,000
Issue costs	(944)	(41,855)
Loan repayments	(1,879)	-
Net cash flows provided by financing activities	1,956,963	758,145
NET CHANGE IN CASH	**1,056,485**	**(786,107)**
CASH, BEGINNING OF THE PERIOD	**1,792,033**	**2,062,411**
CASH, END OF THE PERIOD	**$ 2,848,518**	**$ 1,276,304**
SUPPLEMENTAL CASH FLOW INFORMATION		
Incentive warrants issued	$ 74,452	$ -

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

1. NATURE AND CONTINUANCE OF OPERATIONS

Murchison Minerals Ltd. (the "Company" or “Murchison”) was incorporated under the Canada Business Corporations Act on July 25, 2001. The principal business of the Company is the acquisition, exploration and evaluation of mineral property interests. The primary office is located at 5063 North Service Road, Suite 100, Burlington, Ontario, Canada, L7L 5H6.

The condensed interim consolidated financial statements were approved by the Board of Directors on May10, 2022.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that planned exploration and evaluation programs will result in profitable mining operations. The continuance of the Company is dependent upon completion of the acquisition of the exploration and evaluation properties, the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain necessary financing to complete the development and future profitable production or, alternatively, upon disposition of such property at a profit. Changes in future conditions could require material write downs of the carrying values of the Company's assets.

Although the Company has taken steps to verify title to its exploration and evaluation properties, in accordance with industry standards for the current stage of exploration of such property, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and noncompliance 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.

As at March 31, 2022, the Company has a cumulative deficit of $36,496,429 (December 31, 2021 - $35,976,108), continuing losses and is not yet generating positive cash flows from operations. However, management believes that its current working capital position is sufficient to support planned operations for the next twelve months.

These condensed interim consolidated financial statements were prepared on a going-concern basis in accordance with International Financial Reporting Standards ("IFRS"). Funding for operations has been obtained primarily through private share offerings. Future operations are dependent upon the Company's ability to finance expenditure requirements and upon the achievement of profitable operations. Management believes it will be successful in raising the necessary funding to continue operations in the normal course of operations; however, there is no assurance that these funds will be available on terms acceptable to the Company or at all. These condensed interim consolidated financial statements do not include adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue operations. Such adjustments could be material.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

These unaudited condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, these unaudited condensed interim consolidated financial statements do not include all of the information and footnotes required by IFRS for complete financial statements for year-end reporting purposes.

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Exploration and evaluation properties

The acquisition costs of exploration and evaluation properties are expensed the condensed interim consolidated statements of loss in the period incurred, as permitted under IFRS 6, Exploration for and Evaluation of Mineral Resources.

The acquisition costs of exploration and evaluation properties include the cash consideration and the estimated fair market value of share-based payments issued for such property interests.

Exploration costs are expensed in the period incurred. Option payments which are solely at the Company's discretion are recorded as acquisition costs as they are made. Administrative expenditures are expensed in the period incurred.

Property and equipment

Property and equipment are carried at cost, less accumulated amortization and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Repairs and maintenance costs are charged to profit or loss during the period in which they are incurred.

An asset's residual value, useful life and amortization method are reviewed, and adjusted if appropriate, on an annual basis.

An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss.

Where an item of property and equipment consists of major components with different useful lives, the components are accounted for as separate items of property and equipment. Expenditures incurred to replace a component of an item of property and equipment that is accounted for separately, including major inspection and overhaul expenditures, are capitalized.

Amortization is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Rate	Method
Exploration equipment	3 years	Straight-line
Computers & Softwares	3 years	Straight-line
Buildings	20 years	Straight-line

3. CAPITAL MANAGEMENT

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return through enhancing the share value.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis.

The Company considers its capital to consist of equity, comprising share capital, reserves and deficit which at March 31, 2022 totalled $3,203,358 (December 31, 2020 - $1,781,713). The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is regularly updated based on its exploration and development activities. Selected information is regularly provided to the Board of Directors of the Company. The Company's capital management objectives, policies and processes have remained unchanged during the period ended March 31, 2022. The Company is not subject to any capital requirements imposed by a regulator or lending institution.

4. FINANCIAL RISK FACTORS

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk (including interest rate, foreign exchange rate and commodity price risk).

Risk management is carried out by the Company's management team under policies approved by the Board of Directors. The Board of Directors also provides regular guidance for overall risk management. There have been no changes in the risks, objectives, policies and procedures during the period ended March 31, 2022.

Credit risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash balances and amounts receivable. Cash is held with reputable banks, from which management believes the risk of loss to be remote. Financial instruments included in amounts receivable consist of sales tax receivable and refundable tax credits from government authorities in Canada. Management believes that the credit risk concentration with respect to financial instruments included in amounts receivable is remote.

Liquidity risk

The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2022, the Company had a cash balance of $2,848,518 (December 31, 2021 - $1,792,033) to settle accounts payable, accrued liabilities and loan payable of $75,627 (December 31, 2021 - $251,268). All of the Company's financial liabilities generally have contractual maturities of less than 30 days and are subject to normal trade terms, except for the loan payable as disclosed in Note 15.

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity prices.

(Expressed in Canadian Dollars)

4. FINANCIAL RISK FACTORS (Continued)

Interest rate risk
The Company has cash balances and no interest-bearing debt. The Company's current policy is to invest excess cash in certificates of deposit or interest bearing accounts at major Canadian chartered banks. The Company periodically monitors the investments it makes and is satisfied with the creditworthiness of its Canadian chartered banks. Management believes that interest rate risk is minimal as cash and cash equivalents investments have maturities of three months or less.

Commodity price risk
Commodity price risk could adversely affect the Company. In particular, the Company’s future profitability and viability of development depends upon the world market price of commodities. Commodity prices have fluctuated widely in recent years. There is no assurance that, even as commercial quantities of base and/or precious metals may be produced in the future, a profitable market will exist for them. A decline in the market price of commodities may also require the Company to reduce its mineral resources, which could have a material and adverse effect on the Company’s value. As at March 31, 2022, the Company is not a commodities producer. As a result, commodity price risk may affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. This may also affect the Company's liquidity and its ability to meet its ongoing obligations.

Sensitivity analysis

Based on management's knowledge and experience, the Company believes the following movements are “reasonably possible” over a one-year period:

(i) Based on cash balances earning interest at March 31, 2022, a 1% change in interest rates would result in a corresponding interest income change of approximately $28,485 for the one-year period.

5. CATEGORIES OF FINANCIAL INSTRUMENTS

	March 2022	December 2021
Financial assets:		
Amortized cost		
Cash	$ 2,848,518	$ 1,792,033
Amounts receivable	10,170	-
FVPL		
Investment	2,411	2,584
Financial liabilities:		
Amortized cost		
Accounts payable and accrued liabilities	$ 37,543	$ 211,305
Loan payable	38,084	39,963

As of March 31, 2022 and December 31, 2021, the fair value of all the Company's current financial instruments approximates the carrying value, due to their short-term nature.

(Expressed in Canadian Dollars)

6. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	March 2022	December 2021
Sales tax receivable	$ 172,071	$ 247,327
Other receivable	10,170	-
Prepaid expenses and advances	294,568	72,069
	$ 476,809	$ 319,396

7. INVESTMENT

The Company's investment is classified as fair value through profit and loss ("FVPL") and is carried at fair value. The balance is comprised of the following:

	Number of shares	March 2022	December 2021
First Mining Gold Corp.	8,612	$ 2,411	$ 2,584

The Company holds 8,612 (2021 – 8,612) common shares of First Mining Gold Corp. The unrealized loss of $172 for the period ended March 31, 2022 (March 31, 2021 – $345) was recognized on the condensed interim consolidated statement of loss.

8. PROPERTY AND EQUIPMENT

	Computers & software	Buildings	Exploration equipment	Total
Period ended March 31, 2021				
Opening net book amount	-	**$ 46,715**	**$ 24,865**	**$ 71,580**
Additions	-	-	-	**-**
Amortization for the period		(610)	(3,503)	**(4,113)**
Closing net book amount	**-**	**$ 46,105**	**$ 21,362**	**$ 67,467**
At March 31, 2021				
Cost	-	$ 48,866	$ 42,037	**$ 90,903**
Accumulated amortization	-	(2,761)	(20,675)	**(23,436)**
Net book amount	**-**	**$ 46,105**	**$ 21,362**	**$ 67,467**

(Expressed in Canadian Dollars)

8. PROPERTY AND EQUIPMENT (Continued)

	Computers & software		Buildings		Exploration equipment		Total
Period ended March 31, 2022							
Opening net book amount	-	**$**	**44,275**	**$**	**66,589**	**$**	**110,864**
Additions	6,602		-		-		**6,602**
Amortization for the period	(220)		(610)		(8,931)		**(9,761)**
Closing net book amount	**6,382**	**$**	**43,665**	**$**	**57,658**	**$**	**107,705**
At March 31, 2022							
Cost	6,602	$	48,866	$	107,173	**$**	**162,641**
Accumulated amortization	(220)		(5,201)		(49,515)		**(54,936)**
Net book amount	**6,382**	**$**	**43,665**	**$**	**57,658**	**$**	**107,705**

9. EXPLORATION AND EVALUATION PROPERTIES

Brabant Lake Property – Saskatchewan
As at March 31, 2022, the Company holds a 100% interest in certain claims forming the Brabant Lake property in Saskatchewan.

HPM Property - Quebec
As at March 31, 2022, the Company holds a 100% interest in certain claims forming the HPM property in Quebec.

Barraute-Landrienne Property - Quebec
On April 28, 2021, the Company entered into an agreement with Gestion Aline Leclerc Inc. ("GAL") granting Murchison an option to earn 100% in 75 mineral claims, by making payments totaling $500,000 and property expenditures of $1.0 million over a 6-year period. The first payment of $20,000 is due on April 28, 2022 and has been paid. GAL will retain a royalty of 1% of net smelter returns (NSR) on future production. The 1% NSR can be acquired anytime by the Company for $1.0 million.

The following table details the payments and exploration commitments on an annual basis.

	Timeline	Cash Payments or Number of Consideration Shares	Expenditures
1.	on or before April 28, 2022	$20,000 cash [1]	$140,000
2.	on or before April 28, 2023	$20,000 cash	$200,000 ($400,000 cumulative)
3.	on or before April 28, 2024	$30,000 cash	$200,000 ($600,000 cumulative)
4.	on or before April 28, 2025	$30,000 cash	$200,000 ($800,000 cumulative)
5.	on or before April 28, 2026	$200,000 or equivalent in common shares at the 20-day VWAP Price, or a combination of both, at the option of Murchison	$200,000 ($1,000,000 cumulative)
6.	on or before April 28, 2027	$200,000 or equivalent in common shares at the 20-day VWAP Price, or a combination of both at the option of Murchison	Nil
TOTAL		$100,000 cash and $400,000 or equivalent in common shares at the 20-day VWAP Price, or a combination of both at the option of Murchison	$1,000,000

[1] See Note 16.

(Expressed in Canadian Dollars)

9. EXPLORATION AND EVALUATION PROPERTIES (Continued)

The following table sets out the exploration expenses for the three months ended March 31, 2022 and 2021.

		March 31, 2022		March 31, 2021
Brabant Lake				
Amortization	$	7,582	$	4,113
Drilling		1,500		1,064,745
General Administrative		1,000		2,084
Geology		35,165		38,517
Geophysics		54,820		32,400
Mineral Property and Staking		4,000		300
Total Brabant Lake	**$**	**104,067**	**$**	**1,142,159**
HPM				
Geology		108,094		1,240
Geophysics		16,125		10,509
Drilling		5,687		-
General Administrative		3,486		-
Exploration Tax Credits		(7,631)		-
Mineral Property and Staking		3,763		-
Total HPM	**$**	**129,524**	**$**	**11,749**
Barraute-Landrienne				
Geology		1,087		-
Geophysics		-		-
Mineral Property and Staking		-		-
Total HPM	**$**	**1,087**	**$**	**-**
Total exploration expenses	**$**	**234,678**	**$**	**1,153,908**

10. SHARE CAPITAL

(a) Authorized Share Capital

The Company’s authorized share capital consists of an unlimited number of common shares.

(Expressed in Canadian Dollars)

10. SHARE CAPITAL (Continued)

(b) Issued

	Number		Amount
Balance - December 31, 2020	**98,936,177**	**$**	**32,305,495**
Issuance of common shares [i]	10,000,000		800,000
Issue costs	-		(41,855)
Warrants	-		(114,357)
Balance – March 31, 2021	**108,936,177**	**$**	**32,949,283**
Balance - December 31, 2021	**153,609,785**		**35,881,469**
Exercise of warrants [ii]	16,331,550		2,265,709
Issue costs	-		(944)
Warrants	-		(74,452)
Balance – March 31, 2021	**169,941,335**	**$**	**38,071,782**

[i] On March 5, 2021, Murchison completed a non-brokered private placement and issued 10,000,000 common share units at a price of $0.08 per unit for gross proceeds of $800,000. Each unit consisted of one common share of the Company and one-half common share purchase warrant. Each full warrant entitles the holder to acquire one additional common share until September 5, 2022 at an exercise price of $0.12 per common share. All securities issued pursuant to the private placement are subject to a four month hold period from the date of issue.

The fair value of the warrants was estimated at $120,670 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 109%, risk-free interest rate of 0.29%, expected life of 1.5 year and share price of $0.07. Issue costs of $6,313 were allocated to the warrants.

Finder's fees totaling $18,000 were paid under the private placement. Insiders of the Company acquired an aggregate of 4,150,000 units in the private placement for a total of $332,000.

[ii] Between January 10 and February 10, 2022, 7,025,000 warrants exercisable at $0.12 and expiring on January 23 and February 13, 2022 were exercised for gross proceeds of $843,000.

On March 23, 2022, following the implementation of a warrant exercise incentive program, 9,306,550 warrants at a price of $0.12 were exercised for gross proceeds of $1,116,786. As part of the incentive program, the Company issued 4,653,275 warrants exercisable at $0.18 until April 15, 2023.

The fair value of the incentive warrants was estimated at $74,452 using the Black-Scholes option model pricing with the following assumptions: expected dividend yield of 0%, expected volatility of 82%, risk-free interest rate of 2.27%, expected life of 1 year and share price of $0.10.

(Expressed in Canadian Dollars)

11. WARRANTS AND FINDERS' WARRANTS

The following summarizes the warrants and finders' warrants activity for the three-month periods ended March 31, 2022 and 2021:

	Number of Warrants		Grant Date Fair Value		Weighted Average Exercise Price
Balance - December 31, 2020	**9,723,833**	**$**	**185,875**	**$**	**0.12**
Issued	5,000,000		114,357		0.12
Balance – March 31, 2021	**14,723,833**	**$**	**300,232**	**$**	**0.12**
Balance - December 31, 2021	**38,307,385**	**$**	**714,327**	**$**	**0.12**
Exercised	(16,331,550)		(305,923)		0.12
Expired	(1,984,600)		(37,366)		0.12
Issued	4,653,275		74,452		0.18
Balance – March 31, 2022	**24,644,510**	**$**	**445,490**	**$**	**0.13**

As at March 31, 2022, the Company had warrants and finders' warrants outstanding as follows:

Date of Grant	Exercise Number of Warrants	Grant Date Price ($)	Fair Value ($)	Expiry Date	Remaining Contractual Life (years)
March 5, 2021	3,125,000	0.12	71,473	September 5, 2022	0.44
October 21, 2022	16,866,235	0.12	299,565	October 21, 2022	0.56
April 15, 2022	4,653,275	0.18	74,452	April 15, 2023	1.04
	24,644,510		**445,490**		**0.64**

12. STOCK OPTIONS

The Company maintains a stock option plan whereby certain key employees, officers, directors and consultants may be granted stock options for common shares of the Company. The maximum number of common shares that is issuable under the plan was fixed at 10% of the number of common shares issued and outstanding (a maximum of 5% of the number of common shares issued and outstanding may be held by any one person). Options expire after a maximum period of five years following the date of grant. Vesting provisions are determined at the time of each grant.

The following summarizes the stock option activity for the three-month periods ended March 31, 2022 and 2021:

	Number of Stock Options		Weighted Average Exercise Price
Balance - December 31, 2020 and March 31, 2021	**9,255,000**	**$**	**0.11**
Balance - December 31, 2021 and March 31, 2022	**14,280,000**	**$**	**0.11**

(Expressed in Canadian Dollars)

12. STOCK OPTIONS (Continued)

As at March 31, 2022, the Company had incentive stock options issued to directors, officers, employees and key consultants of the Company outstanding as follows:

Date of Grant	Options Outstanding[1]	Exercise Price ($)	Grant Date Fair Value ($)	Expiry Date	Weighted Average Remaining Contractual Life (years)
January 10, 2018	710,000	0.19	121,410	January 10, 2023	0.78
March 6, 2019	645,000	0.095	59,340	March 6, 2024	1.93
December 23, 2019	3,300,000	0.085	244,200	December 23, 2024	2.73
July 20, 2020	400,000	0.10	23,200	July 20, 2025	3.31
December 31, 2020	3,700,000	0.095	284,900	December 31, 2025	3.76
April 14, 2021	200,000	0.095	9,800	April 14, 2026	4.04
May 25, 2021	500,000	0.095	26,000	May 25, 2026	4.15
July 2, 2021	200,000	0.095	10,800	July 2, 2026	4.26
October 11, 2021	1,000,000	0.08	59,000	October 11, 2026	4.53
December 20, 2021	3,625,000	0.13	351,625	December 20, 2026	4.73
	14,280,000	**0.11**	**1,190,275**		**3.60**

[1] *All options are exercisable, except for 500,000*

13. RELATED PARTY TRANSACTIONS

a) Remuneration of directors and officers was as follows:

Three months ended March 31,	2022	2021
Salaries and benefits	$ 114,256	90,781
Share-based payments	8,850	-
	$ 123,106	**$ 90,781**

For the three-month period ended March 31, 2022, the salaries and benefits amount above includes $55,156 (2021 - $48,281) for fees invoiced by a corporation controlled by the CFO of the Company for his services and $21,600 (2021 - $42,500) for fees invoiced by the Executive Chairman (former CEO until October 11, 2021) of the Company for his services as Executive Chairman. The salaries and benefits also include $37,500 (2021 - $nil) for fees invoiced by a corporation controlled by the CEO of the Company for his services as CEO fees.

c) Warrant Incentive Program
As part of the warrant exercise incentive program implemented on March 17, 2022, officers and directors of the Company exercised 9,306,550 warrants at a price of $0.12 for gross proceeds of $1,116,786. As part of the incentive program, the Company issued 4,653,275 warrants exercisable at $0.18 until April 15, 2023.

14. COMMITMENTS AND CONTINGENCIES

Management Contracts

The Company entered into consulting agreements for the services of its President and CEO, CFO and Executive Chairman. Under the agreements, additional payments totalling $775,000 are be made upon the occurrence of a change of control. As a triggering event has not taken place, the contingent payments have not been reflected in the consolidated financial statements. The commitment upon termination of the agreements is $295,000, in aggregate. The minimum commitment due within one year under the terms of the agreements is $296,400, in aggregate.

Property Option Agreement

On April 28, 2021, the Company optioned certain claims forming the Barraute-Landrienne property whereby Murchison can earn 100% in 75 mineral claims, by making payments totaling $500,000 and property expenditures of $1.0 million over a 6-year period. See Notes 9 and 16.

Flow-Through Obligation

As at March 31, 2022, the Company has to incur $990,888 in qualifying exploration expenditures by December 31, 2022 to meet its flow-through commitments. At this time, management anticipates meeting that obligation and as a result, no additional provisions are required.

The flow-through agreements require the Company to renounce certain tax deductions for Canadian exploration expenditures incurred on the Company's mineral properties to flow-through participants. The Company indemnified the subscribers for any related tax amounts that become payable by the subscribers as a result of the Company not meeting its expenditure commitments.

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COVID-19

The Company's operations could be significantly adversely affected by the effects of the global spread of the contagious coronavirus causing the outbreak of COVID-19 respiratory disease, which was declared a pandemic by the World Health Organization in March 2020. The Company has followed the instructions and advice of Federal and Provincial health authorities, as well as industry-wide best practice guidelines, and has limited travel and field activities to help control the spread of COVID-19 and protect local communities. Since March 2020, the impacts the COVID-19 pandemic on its operations were minimal. The Company cannot predict other pandemic uncertainties, including the duration of the pandemic, the ultimate severity of the disease, the duration of travel and quarantine restrictions imposed by governmental authorities, and the impact on schedules and timelines for planned operations or exploration programs. In addition, this widespread health crisis and related business lockdowns have adversely affected the economies and financial markets of many countries at different levels that could eventually affect the Company's operations and ability to finance its planned operations.

Environmental

The Company's mining and 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 has made, and expects to make in the future, expenditures to comply with such laws and regulations.

(Expressed in Canadian Dollars)

15. LOAN PAYABLE

In June 2021, the Company financed the purchase of an exploration vehicle in the amount of $43,586. The loan bears an interest rate of 7.89% and is repayable over 60 monthly payments of $881 and is secured by the vehicle. The balance payable at March 31, 2022 was $38,084 of which $10,578 is due within the next 12 months.

Undiscounted payments over successive years are as follows:

2022	$	7,933
2023-2026		37,022
Total contractual cash flows	$	44,955
Less: interest		(6,871)
Obligation at March 31, 2022	**$**	**38,084**

16. SUBSEQUENT EVENTS

During April 2022, an additional 1,351,000 warrants at a price of $0.12 were exercised under the warrant exercise incentive program for gross proceeds of $162,120 and the Company issued 675,500 incentive warrants exercisable at $0.18 until April 15, 2023.

On May 3, 2022, the Company completed the $20,000 first anniversary payment in accordance with the option agreement with GAL on the Barraute-Landrienne property. See note 9.

End of Notes to Financial Statements