TROILUS GOLD CORP.

CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS

For the three and nine months ended
April 30, 2021 and 2020

(expressed in Canadian dollars)

TROILUS GOLD CORP.

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 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 CPA Canada for a review of interim financial statements by an entity's auditor.

TROILUS GOLD CORP.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

As at	Notes		April 30, 2021		July 31, 2020
ASSETS					
Current assets					
Cash and cash equivalents		$	9,972,856	$	29,883,416
Tax credit receivable	14		2,681,000		1,866,713
Amounts receivable	5		617,428		438,949
Investments	6		930,000		-
Prepaid expenses			631,323		455,834
Total current assets			14,832,607		32,644,912
Investments	6		1,785,324		250,000
Reclamation deposits	7		844,595		1,639,190
Property and equipment	8		5,825,603		5,445,731
TOTAL ASSETS		$	23,288,129	$	39,979,833
LIABILITIES AND EQUITY					
Current liabilities					
Accounts payable and accrued liabilities		$	4,824,161	$	2,429,961
Current portion of lease liabilities	9		484,768		501,472
Current portion of reclamation provision	7		116,156		147,674
Total current liabilities			5,425,085		3,079,107
Long-term portion of lease liabilities	9		747,827		587,782
Flow-through share premium liability	10		880,022		244,435
Reclamation provision	7		3,408,315		3,728,682
Total liabilities			10,461,249		7,640,006
SHAREHOLDERS' EQUITY					
Share capital	10		104,020,006		87,242,757
Share purchase warrant reserve	11		2,998,864		9,763,070
Share-based payment reserve	12		3,834,192		1,047,793
Accumulated deficit			(98,026,182)		(65,713,793)
Total shareholders' equity			12,826,880		32,339,827
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		$	23,288,129	$	39,979,833

Nature of operations	1
Commitments and contingencies	19
Subsequent events	20

Approved on behalf of the Board of Directors:

"Tom Olesinski"	*"Justin Reid"*
Director	Director

TROILUS GOLD CORP.

Condensed Interim Consolidated Statements of Operations and Comprehensive Loss

(Expressed in Canadian dollars)

		Three months ended April 30, 2021	Three months ended April 30, 2020	Nine months ended April 30, 2021	Nine months ended April 30, 2020
Expenses	Notes				
Exploration and evaluation expenses	14	$ 5,659,522	$ 4,149,311	$ 15,744,990	$ 10,443,539
Royalty buyout	14	-	-	20,000,000	-
Reclamation estimate	7	(303,325)	(122,747)	(302,055)	(53,282)
General and administrative expenses	15	1,053,262	1,246,465	4,348,714	4,064,534
Share-based payments	12	1,214,900	320,971	4,171,617	1,405,136
Total expenses before other items		7,624,359	5,594,000	43,963,266	15,859,927
Other (income)/expenses					
Interest income		(16,896)	(30,602)	(20,904)	(84,638)
Interest on lease liabilities	9	35,870	46,647	122,426	153,327
Flow-through share premium	10	(2,157,064)	(476,725)	(4,145,193)	(1,289,737)
Accretion of reclamation provision	7	31,980	4,774	60,471	30,848
Other (gains) and losses	16	(197,352)	27,278	(903,471)	90,751
Net loss and comprehensive loss for the period		$ 5,320,897	$ 5,165,372	$ 39,076,595	$ 14,760,478
Net loss per share					
Basic and diluted		$ 0.04	$ 0.06	$ 0.31	$ 0.20
Weighted average common shares outstanding					
Basic and diluted		128,917,142	83,115,206	124,189,778	72,236,585

-- See accompanying notes to the Condensed Interim Consolidated Financial Statements --

TROILUS GOLD CORP.

Condensed Interim Consolidated Statements of Cash Flows

(Expressed in Canadian dollars)

	Notes	Nine months ended April 30, 2021	Nine months ended April 30, 2020
CASH FLOWS FROM:			
Operating activities			
Net loss for the period		$ (39,076,595)	$ (14,760,478)
Items not involving cash			
Share-based payments	12	4,171,617	1,405,136
Shares issued for property acquisition	14	-	1,629,000
Depreciation	8	802,365	547,074
Flow-through share premium	10	(4,145,193)	(1,289,737)
Reclamation estimate adjustment	7	(302,055)	(53,282)
Reclamation costs incurred	7	(110,301)	(69,903)
Other (gains) and losses	16	(974,671)	-
Accretion of reclamation estimate	7	60,471	30,848
		(39,574,362)	(12,561,342)
Net change in non-cash working capital items:			
Amounts receivable and prepaid expenses		(353,968)	991,773
Tax credit receivable		(814,287)	135,232
Accounts payable and accrued liabilities		2,394,200	860,361
		1,225,945	1,987,366
Cash flows used in operating activities		(38,348,417)	(10,573,976)
Financing activities			
Financing proceeds	10	22,087,760	19,055,637
Share issue costs	10	(1,914,949)	(892,586)
Lease payments	9	(545,673)	(915,586)
Cash flows (used in)/provided by financing activities		19,627,138	17,247,465
Investing activities			
Property and equipment	8	(478,972)	(1,669,300)
Investment in securities	6	(1,504,904)	(250,000)
Refund of reclamation deposit	7	794,595	-
Cash flows used in investing activities		(1,189,281)	(1,919,300)
Net change in cash and cash equivalents		(19,910,560)	4,754,189
Cash and cash equivalents, beginning of the period		29,883,416	6,337,689
Cash and cash equivalents, end of the period		$ 9,972,856	$ 11,091,878
CASH AND CASH EQUIVALENTS CONSIST OF:			
Cash		$ 9,917,856	$ 1,388,885
Cash equivalents		55,000	9,702,993
		$ 9,972,856	$ 11,091,878
SUPPLEMENTARY INFORMATION			
Equipment purchased through leases	8,9	$ 746,352	$ 453,553
Working capital related to property and equipment		-	300,200

-- See accompanying notes to the Condensed Interim Consolidated Financial Statements --

TROILUS GOLD CORP.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Expressed in Canadian dollars)

	Note	Number of Shares	Share Capital	Share purchase warrant reserve	Share-based payment reserve	Accumulated Deficit	Total Shareholders' equity
Balance as at July 31, 2020		114,939,339	$ 87,242,757	$ 9,763,070	$ 1,047,793	$ $ (65,713,793)	$ 32,339,827
Bought deal financings	10	15,390,500	22,087,760	-	-	-	22,087,760
Cost of issue on financings	10	-	(1,914,949)	-	-	-	(1,914,949)
Flow-through share premium	10	-	(4,780,780)	-	-	-	(4,780,780)
Share-based payments	12	1,916,669	1,385,218	-	(1,385,218)	-	-
Value of share-based compensation	12	-	-	-	4,171,617	-	4,171,617
Expiry of warrants	11	-	-	(6,764,206)	-	6,764,206	-
Net loss for the period		-	-	-	-	(39,076,595)	(39,076,595)
Balance as at April 30, 2021		**132,246,508**	**$ 104,020,006**	**$ 2,998,864**	**$ 3,834,192**	**$ $ (98,026,182)**	**$ 12,826,880**
Balance as at July 31, 2019		62,060,578	$ 47,709,419	$ 6,764,206	$ 195,576	$ $ (47,262,156)	$ 7,407,045
Adjustment on initial application of IFRS 16		-	-	-	-	(38,258)	(38,258)
Balance as at August 1, 2019		62,060,578	47,709,419	6,764,206	195,576	(47,300,414)	7,368,787
Private placement financings		24,753,755	19,055,637	-	-	-	19,055,637
Cost of issue on private placement financings		-	(892,586)	-	-	-	(892,586)
Flow-through share premium		-	(2,015,793)	-	-	-	(2,015,793)
Shares issued for property acquisition		2,000,000	1,629,000	-	-	-	1,629,000
Share-based payments		1,475,006	958,754	-	(958,754)	-	-
Value of share-based compensation		-	-	-	1,405,136	-	1,405,136
Net loss for the period		-	-	-	-	(14,760,478)	(14,760,478)
Balance as at April 30, 2020		**90,289,339**	**$ 66,444,431**	**$ 6,764,206**	**$ 641,958**	**$ $ (62,060,892)**	**$ 11,789,703**

-- See accompanying notes to the Condensed Interim Consolidated Financial Statements --

1. NATURE OF OPERATIONS

Troilus Gold Corp. (the "Company") was continued under the laws of Ontario, Canada. The Company owns a 100% interest in a past-producing gold mine located near Chibougamau, within the Frotêt-Evans Greenstone Belt in Quebec (the "Troilus project"). The Company has acquired additional mineral claims adjacent to the Troilus project through various transactions. Collectively, these properties are referred to as the "Troilus Gold property". The principal business of the Company is the exploration and future development of the Troilus Gold property. The Company's registered office is located at 36 Lombard Street, 4th Floor, Toronto, Ontario, M5C 2X3. The Company's shares trade on the Toronto Stock Exchange ("TSX") under the symbol "TLG". All dollar amounts are Canadian dollars unless otherwise noted.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, 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, aboriginal claims, and non-compliance with regulatory, environmental and social requirements. The Company's assets may also be subject to increases in taxes and royalties, renegotiation of contracts, and political uncertainty.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interests in the underlying properties, the achievement of profitable operations, or the ability of the Company to raise additional financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis.

These condensed interim consolidated financial statements of the Company for the three and nine months ended April 30, 2021 were approved and authorized for issue by the Board of Directors on June 10, 2021.

2. BASIS OF PRESENTATION AND COMPLIANCE

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Account Standard ("IAS") 34, "Interim Financial Reporting". The policies set out in the Company's annual consolidated financial statements for the year ended July 31, 2020 were consistently applied to all periods presented unless otherwise noted below.

The preparation of condensed interim financial statements in accordance with International Accounting Standards ("IAS") 34, Interim Financial Reporting, requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. Certain disclosures included in annual financial statements have been condensed or omitted.

2. BASIS OF PRESENTATION AND COMPLIANCE (continued)

Following the declaration by the World Health Organization over one year ago of the COVID-19 global pandemic, the impacts to the global economy and financial markets continue to generate uncertainty and volatility. The Company's exploration activities at site were temporarily suspended at the onset of the pandemic during the spring of 2020 but resumed in June 2020. The Government of Quebec imposed a one-month lock-down effective January 8, 2021, however mineral exploration companies have been allowed to continue to carry on essential work. While travel restrictions have lifted somewhat, challenges continue in particular with air travel to site. The Company implemented various measures to protect its employees, contractors and the communities in which it operates, including screening, physical distancing protocols, isolation protocols, rapid testing and increased cleaning and sanitization. These measures are expected to remain in place for the foreseeable future. Corporate activities continue with personnel working remotely, and conference participation has gone virtual. The impacts to the Company to date have not been material, and while the Company believes the risk for business interruption remains low, future impacts may result in changes to the timing and nature of the Company's operating plans.

These condensed interim consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business. These condensed interim consolidated financial statements do not include any adjustments that may result from the inability to continue as a going concern. Such adjustments could be material.

These condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. SIGNIFICANT ACCOUNTING POLICIES

<u>New accounting policies</u>

IAS 1 – Presentation of Financial Statements ("IAS 1") and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") were amended in October 2018 to refine the definition of materiality and clarify its characteristics. The revised definition focuses on the idea that information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. The Company has adopted these amendments effective August 1, 2020 with no material impact to these condensed interim consolidated financial statements.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 3 – Business Combinations ("IFRS 3") was amended in October 2018 to clarify the definition of a business. This amended definition states that a business must include inputs and a process and clarified that the process must be substantive and the inputs and process must together significantly contribute to operating outputs. In addition it narrows the definitions of a business by focusing the definition of outputs on goods and services provided to customers and other income from ordinary activities, rather than on providing dividends or other economic benefits directly to investors or lowering costs and added a test that makes it easier to conclude that a company has acquired a group of assets, rather than a business, if the value of the assets acquired is substantially all concentrated in a single asset or group of similar assets. The amendments are effective for annual reporting periods beginning on or after January 1, 2020. The Company has adopted these amendments effective August 1, 2020 with no material impact to these condensed interim consolidated financial statements.

Future accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2021 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8") was amended in February 2021 to introduce the definition of an accounting estimate and include other amendments to IAS 8 to help entities distinguish changes in accounting estimates from changes in accounting policies. The amendments are effective for annual reporting periods beginning on or after January 1, 2023 and changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier adoption is permitted.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") was amended. The amendments clarify that when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – i.e. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on January 1, 2022.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended to 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 is unaffected by expectations about whether or not an entity will exercise their right to defer settlement of a liability. The amendments further clarify requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. The amendments are effective for annual reporting periods beginning on or after January 1, 2023, with earlier adoption permitted.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting period. These consolidated financial statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, on a prospective basis. The revision may affect current or both current and future periods.

Information about critical judgments and estimates in applying accounting policies, and areas where assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following areas:

<u>Mineral resource estimates</u>
The figures for mineral resources are determined in accordance with National Instrument 43-101, "Standards of Disclosure for Mineral Projects", issued by the Canadian Securities Administrators. There are numerous uncertainties inherent in estimating mineral reserves and mineral resources, including many factors beyond the Company's control. Such estimation is a subjective process, and the accuracy of any mineral reserve or mineral resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Differences between management's assumptions including economic assumptions such as metal prices and market conditions could have a material effect in the future on the Company's financial position and results of operation.

<u>Estimation of decommissioning and reclamation costs and the timing of expenditure</u>
Decommissioning, restoration and similar liabilities are estimated based on the Company's interpretation of current regulatory requirements, constructive obligations and are measured at fair value. Fair value is determined based on the net present value of estimated future cash expenditures for the settlement of decommissioning, restoration or similar liabilities that may occur upon decommissioning. Such estimates are subject to change based on changes in laws and regulations and negotiations with regulatory authorities. Cost estimates are updated annually to reflect known developments and are subject to review at regular intervals.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

Share-based payments and warrants
Management determines costs for share-based payments and warrants using market-based valuation techniques. The fair value of the market-based and performance-based share awards are 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 for share-based payments 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. Assumptions and judgements for determining the value of warrants include estimating the future volatility of the share price, expected dividend yield and expected risk-free rate of return. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

Income taxes and recoverability of potential deferred tax assets
In assessing the probability of realizing income tax assets recognized, management makes estimates related to expectations of future taxable income, applicable tax planning opportunities, expected timing of reversals of existing temporary differences and the likelihood that tax positions taken will be sustained upon examination by applicable tax authorities. In making its assessments, management gives additional weight to positive and negative evidence that can be objectively verified. Estimates of future taxable income are based on forecasted cash flows from operations and the application of existing tax laws in each jurisdiction. The Company considers whether relevant tax planning opportunities are within the Company's control, are feasible, and are within management's ability to implement. Examination by applicable tax authorities is supported based on individual facts and circumstances of the relevant tax position examined in light of all available evidence. Where applicable tax laws and regulations are either unclear or subject to ongoing varying interpretations, it is reasonably possible that changes in these estimates can occur that materially affect the amounts of income tax assets recognized. Also, future changes in tax laws could limit the Company from realizing the tax benefits from the deferred tax assets. The Company reassesses unrecognized income tax assets at each reporting period.

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.

(Expressed in Canadian dollars)

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

Valuation of the refundable mining duties credit and the refundable tax credit for resources
The refundable mining duties credit and the refundable tax credit for resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessments and payments has been received from the relevant taxation authority. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources and the exploration and evaluation expenses in future periods.

Leases under IFRS 16
Critical judgements are required in the application of IFRS 16, including identifying whether a contract (or part of a contract) includes a lease and determining whether it is reasonably certain that an extension or termination option will be exercised. Sources of estimation uncertainty include estimation of the lease term, determination of an appropriate discount rate and assessment of whether a ROU asset is impaired. Such judgments, estimates and assumptions are inherently uncertain, and changes in these assumptions affect the fair value estimates.

Contingencies
Refer to Note 19.

The amounts recognized in the consolidated financial statements are derived from the Company's best estimation and judgement as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Company's financial position and its financial performance and cash flows.

5. AMOUNTS RECEIVABLE

	April 30, 2021	July 31, 2020
Input tax credits receivable	$ 612,338	$ 438,949
Other miscellaneous receivables	5,090	-
	$ 617,428	$ 438,949

6. INVESTMENTS

Included in Investments at April 30, 2021 are 1,000,000 shares of Kenorland Minerals Ltd. ("Kenorland"). Kenorland completed a Reverse Takeover transaction ("RTO") on January 4, 2021 and began trading publicly on January 13, 2021. The Company's 500,000 shares pre-RTO, acquired at a cost of $250,000 and classified and measured at Fair Value through Profit and Loss ("FVPL") at acquisition, were replaced by 1,000,000 shares post-RTO. At April 30, 2021, the fair value of these shares was $930,000, resulting in an unrealized gain of $60,000 and $680,000 for the three and nine months ended April 30, 2021 respectively, recorded in other gains and losses on the statements of operation (three and nine months ended April 30, 2020: $nil and $nil). The Company has reclassified these shares as at April 30, 2021 as a short-term asset. Subsequent to the end of the quarter, the Company sold its Kenorland shares.

The Company also acquired 6,156,291 shares in UrbanGold Minerals Inc. ("UrbanGold") through the market during the three and nine months ended April 30, 2021. These shares were classified and measured at FVPL at acquisition, and at April 30, 2021, their fair value was $1,785,324, resulting in an unrealized gain of $166,167 and $280,420 for the three and nine months ended April 30, 2021 respectively. Subsequent to the end of the quarter, the Company completed the acquisition of 100% of the issued and outstanding shares of UrbanGold. See Note 20, Subsequent Events.

7. RECLAMATION DEPOSITS AND PROVISION

Deposits:
In February 2019, the Company purchased an underwritten bond from an insurance company in order to recover a reclamation deposit of $3,972,976 with the government of Quebec. The reclamation deposit served as security against current and future estimated reclamation obligations at the Troilus site from historical mining activity. To purchase this insurance, the Company gave a $1,589,190 deposit to the insurance company, paying an annual fee of 2.5% of the insured amount. The Company also paid an additional $50,000 deposit as security against current and future estimated reclamation obligations on the landfill site on the Troilus Gold property.

During the nine months ended April 30, 2021, the Company entered into a bonding facility with a new insurance company pursuant to which the Company further reduced its cash deposit to 20% of the reclamation deposit or $794,595, incurring the same annual fee of 2.5%. The Company deposited $794,595 into a Guaranteed Investment Certificate secured by a Letter of Credit and has received a refund of the previous cash deposit of $1,589,190. The Company is earning nominal interest on this GIC.

(Expressed in Canadian dollars)

7. RECLAMATION DEPOSITS AND PROVISION (continued)

Provision:
The Company recognized a provision for future estimated reclamation and water treatment costs of the former Troilus mine. As at April 30, 2021, the estimated future liability of approximately $3,600,000 (July 31, 2020: $3,544,000), was adjusted for inflation at an average rate of 1.68% (July 31, 2020: 1.74%), discounted at a rate of 2.08% (July 31, 2020: 0.92%) and recorded as $3,524,471, $116,156 as a current liability and $3,408,315 as a long-term liability (July 31, 2020: $3,876,356, $147,674 as a current liability and $3,728,682 as a long-term liability). This estimate assumes that future mining operations would never resume. As the Company continues its exploration program, works towards a future mining scenario, and carries out reclamation work, the underlying assumptions to the reclamation provision will be adjusted accordingly. As a result of this remeasurement, credits of $303,325 and $302,055 were recorded as an adjustment to the reclamation estimate to the consolidated statements of operations for the three and nine months ended April 30, 2021 respectively (three and nine months ended April 30, 2020: credits of $122,747 and $53,282 respectively). Accretion of $31,980 and $60,471 was recognized for the three and nine months ended April 30, 2021 respectively on the consolidated statements of operations (three and nine months ended April 30, 2020: $4,774 and $30,848 respectively).

Balance as at July 31, 2020	$	3,876,356
Accretion of discount		60,471
Adjustments resulting from remeasurement		(302,055)
Incurred costs applied against liability		(110,301)
Balance as at April 30, 2021	$	3,524,471
Current portion of liability	$	116,156
Long-term portion of liability		3,408,315
	$	3,524,471

(Expressed in Canadian dollars)

8. PROPERTY AND EQUIPMENT

	Computer and office equipment	Leaseholds, improvements and furniture	Vehicles	Equipment	Exploration Camp	TOTAL
Cost						
Balance, July 31, 2020	$ 119,924	$ 1,276,457	$ 255,918	$ 436,137	$ 4,600,427	$ 6,688,863
Additions	21,456	129,384	560,802	237,148	276,534	1,225,324
Disposals	-	-	(172,766)	-	-	(172,766)
Balance, April 30, 2021	**$ 141,380**	**$ 1,405,841**	**$ 643,954**	**$ 673,285**	**$ 4,876,961**	**$ 7,741,421**
Depreciation						
Balance, July 31, 2020	$ (49,409)	$ (349,666)	$ (154,031)	$ (62,017)	$ (628,009)	$ (1,243,132)
Expense for the period	(27,415)	(212,322)	(155,344)	(44,152)	(363,132)	(802,365)
Disposals	-	-	129,679	-	-	129,679
Depreciation	**$ (76,824)**	**$ (561,988)**	**$ (179,696)**	**$ (106,169)**	**$ (991,141)**	**$ (1,915,818)**
Net book value, July 31, 2020	$ 70,515	$ 926,791	$ 101,887	$ 374,120	$ 3,972,418	$ 5,445,731
Net book value, April 30, 2021	**$ 64,556**	**$ 843,853**	**$ 464,258**	**$ 567,116**	**$ 3,885,820**	**$ 5,825,603**

An amount of $280,040 and $802,365 was expensed in depreciation for the three and nine months ended April 30, 2021 respectively, where $224,987 and $641,691 was recorded as exploration and evaluation expenses and $55,053 and $160,674 was recorded as general and administrative expenses (three and nine months ended April 30, 2020: $154,072 and $547,074 respectively, where $108,577 and $400,222 was allocated to exploration and evaluation expenses and $45,495 and $146,852 was allocated to general and administrative expenses).

The Company acquired $81,000 and $746,352 in assets through Right-of-Use vehicle leases and equipment leases (Note 9) during the three and nine months ended April 30, 2021 respectively (three and nine months ended April 30, 2020: $57,008 and $453,553 respectively). During the current year, the Company traded in existing vehicles on lease for these new vehicles, and as a result, $nil and $14,252 was recorded as a gain on disposal of assets in other gains and losses for the three and nine months ended April 30, 2021 respectively.

(Expressed in Canadian dollars)

9. LEASE LIABILITIES

Balance as at July 31, 2020	$	1,089,254
Assets acquired from leases and financing arrangements		746,352
Payments made during the period		(545,673)
Lease extinguishment		(57,338)
Balance as at April 30, 2021	$	1,232,595
Current portion of lease liabilities	$	484,768
Long-term portion of lease liabilities		747,827
	$	1,232,595

During the nine months ended April 30, 2021, the Company traded in vehicles on lease and entered into new lease agreements with respect to vehicles valued at $560,802. The Company also entered into an equipment lease with a value of $185,550. The Company's other right-of-use leases include office leases and leases for certain infrastructure, with terms of up to 3 years. Interest expense recognized on these leases for the three and nine months ended April 30, 2021 was $35,870 and $122,426 respectively (three and nine months ended April 30, 2020: $46,647 and $153,327 respectively). During the three and nine months ended April 30, 2021, the Company incurred $110,185 and $364,520 respectively for short-term rental equipment (three and nine months ended April 30, 2020: $46,200 and $236,394) which was recorded in exploration and evaluation expenses on the consolidated statement of operations.

10. SHARE CAPITAL

	No. of Shares		Balance
Balance as at July 31, 2020	114,939,339	$	87,242,757
December 2020 bought deal financings			
Flow-through shares issued	6,290,500		12,077,760
Shares issued	9,100,000		10,010,000
Cost of issue	-		(1,914,949)
Flow-through share premium	-		(4,780,780)
Share-based payments (Note 12)	1,916,669		1,385,218
Balance as at April 30, 2021	**132,246,508**	**$**	**104,020,006**

On December 1, 2020, the Company closed a bought-deal public offering and a bought-deal private placement with Cormark Securities Inc., on behalf of a syndicate of underwriters. Pursuant to the bought-deal public offering, the Company issued 5,470,000 common shares of the Company that qualify as flow through shares at a price of $1.92 per flow-through share. As well, the over-allotment option was exercised with the issuance of an additional 820,500 flow-through shares. Pursuant to the bought-deal private placement, the Company issued 9,100,000 common shares of the Company at a price of $1.10 per share. Gross proceeds from these financings totaled $22,087,760. A commission of 6% was charged by the syndicate of underwriters, and total issue costs which also included legal and advisory fees were $1,914,949.

(Expressed in Canadian dollars)

10. SHARE CAPITAL (continued)

Upon the issuance of flow-through shares, the Company records a flow-through share premium liability based on the calculated premium per dollar raised determined as the excess issue price over the quoted market price at the date of issuance. The liability is reduced proportionately as the Company incurs eligible expenditures. As a result of the Company's flow-through shares issued in December 2020, a flow-through share premium liability of $4,780,780 was recorded to the Statement of Financial Position during the nine months ended April 30, 2021. The total liability was reduced by $4,145,193 as a result of expenditures against the flow-through commitment. A balance of $880,022 remains on the Consolidated Statement of Financial Position as at April 30, 2021. For the three and nine months ended April 30, 2021, $2,157,064 and $4,145,193 respectively was recorded as a flow-through share premium recovery on the consolidated statements of operation (three and nine months ended April 30, 2020: $476,725 and $1,289,737 respectively).

11. SHARE PURCHASE WARRANT RESERVE

	Number of Warrants	Weighted Average Exercise Price	Value
Balance as at July 31, 2020	26,105,000	$2.04	$ 9,763,070
Expired unexercised	(14,030,000)	$2.50	(6,764,206)
Balance as at April 30, 2021	12,075,000	$1.50	$ 2,998,864

During the three and nine months ended April 30, 2021, nil and 14,030,000 warrants expired unexercised. The value of these warrants was consequently transferred to Accumulated deficit.

The following table summarizes the warrants outstanding as at April 30, 2021:

						Assumptions			
Exercise Price	**Expiry Date**	**Number Outstanding**	**Number Exercisable**	**Value**	**Weighted Average Remaining Contractual Life (years)**	**Expected Dividend Yield**	**Expected Volatility**	**Risk-free Interest rate**	**Expected Average Life (years)**
$1.50	June 23, 2022	12,075,000	12,075,000	2,998,864	1.15	0%	80.27%	0.30%	2.00
		12,075,000	12,075,000	$2,998,864	1.15				

12. SHARE-BASED PAYMENT RESERVE

The Company has a stock-option plan whereby the Company may grant to directors, officers, employees and consultants of the Company options to purchase shares of the Company. Options granted under the plan will be for a term not to exceed five years.

(Expressed in Canadian dollars)

12. SHARE-BASED PAYMENT RESERVE (continued)

On December 16, 2020, upon shareholder approval at the Company's Annual General Meeting, the Company adopted a new Incentive Share Unit Plan ("ISU Plan") to replace the existing Restricted Share Unit Incentive Plan "RSU Plan" whereby the Company is authorized to grant Restricted Share Units ("RSU's") under the plan to directors, officers and employees or Deferred Share Units ("DSU's") under the plan to directors alone. A vested RSU represents the right to receive one common share of the Company. A vested DSU represents the right to receive one common share of the Company upon the date the participant director ceases to be a director of the Company. All Share Units, that is RSU's and DSU's, shall be settled through the issuance of common shares from treasury by the Company, and as such, the value of outstanding RSU's and DSU's is included in share-based payment reserve within equity. As at April 30, 2021, no DSU's have been granted.

The number of common shares reserved for issuance pursuant to the stock-option plan and the ISU Plan and all other security-based compensation arrangements shall, in aggregate, not exceed 10% of the Company's issued and outstanding capital.

	Stock option Value	RSU Value	TOTAL
Balance as at July 31, 2020	$ 195,576	$ 852,217	$ 1,047,793
RSU expense accrued	-	4,171,617	4,171,617
Value of RSUs vested	-	(1,385,218)	(1,385,218)
Balance as at April 30, 2021	$ 195,576	$ 3,638,616	$ 3,834,192

Outstanding Stock Options:

Exercise Price	Expiry Date	Number Outstanding	Number Exercisable	Value	Weighted Average Remaining Contractual Life	Assumptions: Expected Dividend Yield	Assumptions: Expected Volatility	Assumptions: Risk-free Interest rate	Assumptions: Expected Average Life (years)
$ 1.64	January 3, 2023	250,000	250,000	$195,576	1.68	0%	100%	2.26%	5.00
	Total	250,000	250,000	$195,576	1.68				

The Company did not grant stock options during the nine months ended April 30, 2021 and 2020. Going forward, the Company does not intend to issue any new options under the Company's stock option plan in favour of granting RSU's and DSU's.

(Expressed in Canadian dollars)

12. SHARE-BASED PAYMENTS RESERVE (continued)

Outstanding unvested RSU's:

	Number of RSU's
Balance as at July 31, 2020	3,136,660
Granted	8,610,000
Vested, settled in common shares	(1,916,669)
Forfeited	(73,333)
Balance as at April 30, 2021	9,756,658

On August 4, 2020, the Company granted 7,765,000 RSU's to directors, officers and employees of the Company. These RSU's vest three years from the date of issuance, on August 4, 2023. The fair value of these RSU's was estimated to be $1.50 per unit based on the quoted market price of the Company's shares on the date of grant.

On September 1, 2020, the Company granted 75,000 RSU's to new employees of the Company. These RSU's vest in tranches, one half having vested on January 15, 2021 and the balance on January 17, 2022. The fair value of these RSU's was estimated to be $1.53 per unit based on the quoted market price of the Company's shares on the date of grant.

On January 15, 2021, the Company granted 580,000 RSU's to employees of the Company. These RSU's vest in tranches, one half having vested immediately on January 15, 2021 and the balance on January 17, 2022. The fair value of these RSU's was estimated to be $1.11 per unit based on the quoted market price of the Company's shares on the date of grant.

On April 1, 2021, the Company granted 190,000 RSU's to employees of the Company. Of these RSU's, 140,000 vest on January 17, 2022 and 50,000 vest on January 15, 2023. The fair value of these RSU's was estimated to be $1.04 per unit based on the quoted market price of the Company's shares on the date of grant.

On November 29, 2019, the Company granted 4,425,000 RSU's to employees of the Company. These RSU's vest in tranches, where 1/3rd vested on January 15, 2020, 1/3rd vested on January 15, 2021 and 1/3rd will vest on January 17, 2022. The fair value of these RSU's was estimated to be $0.60 per unit based on the quoted market price of the Company's shares on the date of grant.

Share-based payments of $1,214,900 and $4,171,617 respectively was recognized for the three and nine months ended April 30, 2021 related to these RSU's, which includes an accrual for unvested RSU's (three and nine months ended April 30, 2020: $320,971 and $1,405,136 respectively).

(Expressed in Canadian dollars)

13. FINANCIAL INSTRUMENTS

Financial assets and financial liabilities were classified as follows:

	Assets at amortized cost	Assets at fair value through profit or loss	Liabilities at amortized cost	Total
As at April 30, 2021				
Cash and cash equivalents	$ 9,917,856	$ 55,000	$ -	$ 9,972,856
Investments	-	2,715,324	-	2,715,324
Reclamation deposit	-	844,595	-	844,595
Accounts payable and accrued liabilities	-	-	4,824,161	4,824,161
Lease liabilities	-	-	1,232,595	1,232,595

The carrying values of cash and cash equivalents, accounts payable and accrued liabilities approximate fair value due to the short-term nature of the financial instruments. The carrying value of investments is recorded at an estimated fair value based on a valuation technique using observable inputs. The carrying value of reclamation deposit approximates fair value as it is represented by a GIC. Management believes the carrying value of lease liabilities approximates fair value.

A fair value hierarchy prioritizes the methods and assumptions used to develop fair value measurements for those financial assets where fair value is recognized on the statement of financial position. These have been prioritized into three levels.

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 – Inputs for the asset or liability that are not based on observable market data.

The following table sets forth the Company’s financial assets and liabilities measured at fair value by level within the fair value hierarchy as at April 30, 2021:

	Level 1	Level 2	Level 3	TOTAL
As at April 30, 2021				
Cash equivalents	$ 55,000	-	$ -	$ 55,000
Investments	2,715,324	-	-	2,715,324
Reclamation deposit	844,595	-	-	844,595

During the nine months ended April 30, 2021, the investment in Kenorland transferred from Level 3 to Level 1 as a result of Kenorland’s RTO (Note 6). As at April 30, 2021, Kenorland’s shares were trading publicly and quoted market prices were used to remeasure its fair value.

Fair value amounts represent point-in-time estimates and may not reflect fair value in the future. The measurements are subjective in nature, involve uncertainties and are a matter of significant judgment.

(Expressed in Canadian dollars)

13. FINANCIAL INSTRUMENTS (continued)

The Company's risk exposures and the impact on the Company's financial instruments are summarized below. There have been no significant changes in the risks, objectives, policies and procedures for managing risk during the three and nine months ended April 30, 2021.

Credit risk
The Company's credit risk is primarily attributable to cash and cash equivalents, and reclamation deposit. The Company has no significant concentration of credit risk arising from operations. Cash and cash equivalents consist of bank deposits and guaranteed investment certificates, which have been invested with reputable financial institutions, from which management believes the risk of loss to be remote. Amounts receivable primarily represent input tax credit refunds from government bodies. Management believes that the credit risk concentration with respect to these financial instruments is remote.

Liquidity risk
The Company manages liquidity risk by maintaining adequate cash and cash equivalent balances. The Company continuously monitors and reviews both actual and forecasted cash flows, and also matches the maturity profile of financial assets and liabilities.

As at April 30, 2021, the Company had current assets of $14,832,607 (July 31, 2020: $32,664,912) to settle current liabilities of $5,425,085 (July 31, 2020: $3,079,107). Approximately $4,080,000 of the Company's financial liabilities as at April 30, 2021 have contractual maturities of less than 30 days and are subject to normal trade terms.

		Payments due by period			
Liability	Total	< 1 year	1 - 3 years	4 - 5 years	> 5 years
Accounts payable and accrued liabilities	$ 4,824,161	$ 4,824,161	$ -	$ -	$ -
Lease liabilities	1,232,595	484,768	721,160	26,667	-
Reclamation provision	3,524,471	116,156	546,665	432,690	2,428,960

Market risk - Interest rate risk
The Company's interest rate risk management policy is to purchase highly liquid investments with a term to maturity of one year or less on the date of purchase. Based on cash and cash equivalent balances on hand at April 30, 2021, a 0.1% change in interest rates could result in a corresponding change in net loss of approximately $10,000.

(Expressed in Canadian dollars)

14. EXPLORATION AND EVALUATION EXPENSES AND ROYALTY BUYOUT

The Company owns the Troilus Gold property, consisting of mineral claims and a past-producing mine property located near Chibougamau, within the Frotêt-Evans Greenstone Belt in Quebec, Canada. During the current and prior year, the Company acquired various claims extending its land package. (See Note 20, Subsequent Events.)

Of the claims initially acquired from First Quantum Minerals Inc. ("First Quantum"), certain claims were subject to a variable Net Smelter Royalty ("NSR") of 1.5% (if the gold price is less than US$1,250/ounce during the reference period) or 2.5% (if the gold price is more than US$1,250/ounce during the reference period) payable to First Quantum. In November 2020, the Company repurchased this NSR for cash consideration of $20,000,000 payable to First Quantum, thereby extinguishing the royalty. A royalty of 1% remains on these claims, held by Nomad Royalty Company Ltd.

The claims acquired from Emgold in December 2018 are subject to underlying NSR royalties of 1% to Emgold, that the Company has the right to repurchase for $1,000,000. The claims acquired from O3 in November 2019 are subject to royalties of 2% NSR to O3, half of which can be repurchased for $1,000,000, and 2% NSR to an individual, half of which can be repurchased for $1,000,000. The claims acquired from O3 in April 2020 are subject to royalties of 2% NSR to O3, of which half can be repurchased at any time for $1,000,000. Certain of the O3 claims acquired in April 2020 are subject to underlying royalties of 1% to Glencore plc, and certain claims are subject to underlying royalties of 2% to Vale S.A. One-half of the royalty to Vale S.A. can be repurchased. The claims acquired from Globex Mining Enterprises Inc. ("Globex") are subject to a 2% Gross Metal Sales royalty ("GMR") to Globex, of which half can be repurchased at any time for $1,000,000. The claims acquired from Canadian Mining House ("CMH") are subject to a 1% NSR, of which half can be repurchased for $500,000 and half can be repurchased for $1,500,000. As well, as a result of the acquisition of UrbanGold subsequent to the end of the quarter, the Company is subject to royalties on certain of the claims acquired.

	Three months ended April 30,		Nine months ended April 30,	
	2021	2020	2021	2020
Exploration and evaluation expenses:				
Drilling, assaying and geology	$ 3,932,482	$ 773,886	$ 9,312,267	$ 2,619,572
Salaries, payroll costs and consultants	1,287,077	949,713	4,438,744	3,580,941
Site and camp costs	525,928	193,708	1,250,422	719,979
Support and other costs	134,152	102,668	362,426	356,509
Studies	901,121	487,999	2,151,839	1,368,365
Government and community relations	16,724	16,371	83,159	52,576
Travel	88,955	19,263	241,288	130,370
Property acquisition costs	166,125	1,442,820	166,125	1,673,699
Depreciation	224,987	108,577	641,691	400,222
Tax credits	(1,618,029)	54,306	(2,902,971)	(458,694)
	$ 5,659,522	$ 4,149,311	$ 15,744,990	$ 10,443,539

(Expressed in Canadian dollars)

14. EXPLORATION AND EVALUATION EXPENSES AND ROYALTY BUYOUT (continued)

Property costs recognized during the three and nine months ended April 30, 2021 represent the initial transaction costs related to the acquisition of UrbanGold. During the comparative three and nine months ended April 30, 2020, the Company acquired property through cash payments as well as the issuance of shares for a total of $1,442,820 and $1,673,699 respectively.

The Company has recorded $1,618,029 and $2,902,971 respectively in expected tax credits against exploration activity for the three and nine months ended April 30, 2021 (three and nine months ended April 30, 2020: an accrual adjustment of $54,306 and an accrual of $458,694 respectively). As at April 30, 2021, the Company is carrying a tax credit receivable balance of $2,681,000 (July 31, 2020: $1,866,713). During the three and nine months ended April 30, 2021, the Company received $1,903,029 and $2,088,684 respectively in tax credits applied against the receivable.

15. GENERAL AND ADMINISTRATIVE EXPENSES

	Three months ended April 30,		Nine months ended April 30,	
	2021	2020	2021	2020
General and administrative expenses :				
Salaries, payroll costs and consultants	$ 560,910	$ 808,353	$ 2,787,765	$ 2,414,619
Professional costs	70,424	103,294	259,891	231,007
Shareholder communications	204,152	169,863	720,801	898,785
Office and general	130,394	73,958	313,161	274,912
Travel	32,329	43,252	106,422	96,109
Mining claim costs, non-core properties	-	2,250	-	2,250
Depreciation	55,053	45,495	160,674	146,852
	$ 1,053,262	$ 1,246,465	$ 4,348,714	$ 4,064,534

16. OTHER (GAINS) AND LOSSES

	Three months ended April 30,		Nine months ended April 30,	
	2021	2020	2021	2020
Other expenses:				
Fee for reclamation bond	$ 29,363	$ 24,831	$ 81,468	$ 74,493
Gain on disposal of assets (Note 8)	-	-	(14,252)	-
Unrealized gains on investments held (Note 6)	(226,167)	-	(960,420)	-
Miscellaneous	(548)	2,447	(10,267)	16,258
	$ (197,352)	$ 27,278	$ (903,471)	$ 90,751

(Expressed in Canadian dollars)

17. CAPITAL MANAGEMENT

The Company manages and adjusts its capital structure based on available funds in order to support the exploration and development of its mineral properties. The capital of the Company consists of share capital, share purchase warrants, RSU's and stock options. The Board of Directors 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's properties are in the exploration stage and, accordingly, the Company is dependent upon external financings to fund activities. In order to carry out planned drilling and engineering work, and pay for administrative costs, the Company will spend working capital and expects to raise the additional funds from time to time as required.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. The Company's capital management objectives, policies and processes have remained unchanged during the three and nine months ended April 30, 2021 and 2020.

18. RELATED PARTY DISCLOSURES

The Company entered into the following transactions in the ordinary course of business with related parties that are not subsidiaries of the Company.

Related party balances
During the three and nine months ended April 30, 2021, the Company paid $19,793 and $65,239 respectively (three and nine months ended April 30, 2020: $19,500 and $58,500 respectively) to a private company from which it rents its office space in Chibougamau. The Company's VP of Operations, Mr. Daniel Bergeron, owns 50% of this private company.

Compensation of key management personnel of the Company
The remuneration of directors and other members of key management personnel were as follows:

	Three months ended April 30,		Nine months ended April 30,	
	2021	2020	2021	2020
Management salaries and fees	$ 536,889	$ 453,000	$ 2,887,318	$ 1,880,192
Directors fees	92,500	31,250	277,500	173,098
Share-based payments	1,035,368	-	3,408,313	752,003
	$ 1,664,757	$ 484,250	$ 6,573,131	$ 2,805,293

18. RELATED PARTY DISCLOSURES (continued)

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. The remuneration of directors and key executives is determined by the Board of Directors of the Company having regard to the performance of individuals and market trends.

19. COMMITMENTS AND CONTINGENCIES

The Company is party to certain management contracts. As at the date of this report, these contracts contain minimum commitments of approximately $2,000,000 and additional contingent payments of approximately $6,200,000 upon the occurrence of a change of control. As well, the Company currently has 10,401,658 RSU's outstanding to directors, officers and employees of the Company of which 2,289,658 will vest in January 2022, 372,500 will vest in January 2023 and 7,740,000 will vest in August 2023. Upon a change of control, unvested RSU's would vest immediately. As a triggering effect for a change of control has not taken place, the contingent payments have not been reflected in these consolidated financial statements.

The Company is obligated to make lease payments over the next 3.0 years. See Notes 9 and 13.

Underlying royalties on the Troilus Gold property are described in Note 14.

As a result of the Company's flow-through financings in February 2020, the Company was committed to incur qualifying resource expenditures. The Company filed its renunciation forms in December 2020, renouncing these expenditures effective November 30, 2020. As at April 30, 2021, the Company has met this expenditure commitment.

As a result of the Company's flow-through financing in December 2020, the Company was committed to incur qualifying resource expenditures. The Company filed its renunciation forms in January 2021, renouncing these expenditures effective December 31, 2020. As at April 30, 2021, the Company has spent $9,854,545 and will be required to spend an additional $2,223,315. The deadline for this expenditure commitment was December 31, 2021, however the federal government has drafted legislation to extend this deadline by twelve months.

In connection with the flow-through financings, the Company indemnifies the subscribers against certain tax related amounts that may become payable by the subscribers should the Company not meet its flow-through expenditure commitments.

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.

20. SUBSEQUENT EVENTS

In May 2021, the Company acquired 100% of the issued and outstanding shares of UrbanGold that it did not already own by way of a three-cornered amalgamation under the Canada Business Corporations Act. In doing so, the Company significantly expanded its land package in the Frotêt-Evans Greenstone Belt in Quebec. The Company acquired issued and outstanding shares of UrbanGold for a consideration of 0.3004 of a common share of the Company for each outstanding UrbanGold share. On closing, the Company issued 19,518,273 shares of the Company to former shareholders of UrbanGold. Outstanding warrants and options to acquire UrbanGold shares have been adjusted as a result of the amalgamation based on the same ration of 0.3004 and will be exercisable in the aggregate for 4,355,362 shares of the Company. Among other properties, UrbanGold holds an interest in two properties situated near the Troilus project, being the wholly owned Pallador property and the Bullseye property, which is subject to a 50/50 joint venture with Argonaut Gold Inc.

On June 10, 2021, the Company entered into an agreement with Cormark Securities Inc., on behalf of a syndicate of underwriters (collectively, the "Underwriters"), pursuant to which the Underwriters have agreed to purchase, on a bought deal public offering basis 7,905,200 units of the Company at a price of $1.10 per unit for gross proceeds of $8,695,720; 6,211,200 flow-through units of the Company at a price of $1.26 per flow-through unit for gross proceeds of $7,826,112; 13,513,600 national flow-through units of the Company at a price of $1.48 per national flow-through unit for gross proceeds of $20,000,128; and 3,174,700 Quebec flow-through units of the Company at a price of C$1.89 per Quebec flow-through unit for gross proceeds of $6,000,183. Each unit will consist of one common share of the Company and one-half of a common share purchase warrant. Each flow-through unit, each national flow-through unit and each Quebec flow-through unit will consist of one common share of the Company that qualifies as a flow-through share and one-half of a common share purchase warrant. Each whole warrant will entitle the holder to acquire one common share of the Company at an exercise price of $1.50 for a period of 24 months following the closing of the offering.