



MOUNTAIN BOY MINERALS LTD.

CONDENSED INTERIM FINANCIAL STATEMENTS

For the six months ended May 31, 2022 and 2021

Mountain Boy Minerals Ltd.
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Trading Symbol
TSXV: MTB
OTCQB: MBYMF

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

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

The accompanying unaudited interim 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 financial statements in accordance with standards established by the Chartered Professional Accountants of Canada for a review of interim financial statements by an entity's auditor.

MOUNTAIN BOY MINERALS LTD.
CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian dollars)

	Note	May 31, 2022 (Unaudited)	November 30, 2021 (Audited)
ASSETS			
Current			
Cash and cash equivalents		\$ 458,495	\$ 191,573
Marketable securities	5	422,305	717,181
Receivables		18,076	45,442
Prepaid expenses		144,475	31,906
		<u>1,043,351</u>	<u>986,102</u>
Non-current			
Exploration and evaluation assets	6	20,011,545	19,274,844
Reclamation bonds		192,185	166,307
		<u>20,203,730</u>	<u>19,441,151</u>
		<u>\$ 21,247,081</u>	<u>\$ 20,427,253</u>
LIABILITIES			
Current			
Trade and other payables	8	\$ 117,875	\$ 139,254
Due to joint venture partner	6(b)	24,286	24,286
		<u>142,161</u>	<u>163,540</u>
Non-current			
Deferred tax liabilities		2,564,000	2,564,000
		<u>2,706,161</u>	<u>2,727,540</u>
EQUITY			
Share capital	7	31,143,185	29,706,470
Contributed surplus	7	5,158,892	4,921,238
Deficit		(17,761,157)	(16,927,995)
		<u>18,540,920</u>	<u>17,699,713</u>
		<u>\$ 21,247,081</u>	<u>\$ 20,427,253</u>

Corporate Information – Note 1
Going Concern – Note 2(c)

These financial statements were authorized for issue by the Board of Directors on July 7, 2022.
They are signed on the Company's behalf by:

"Mark T. Brown"
Mark T. Brown

Director

"Lawrence Roulston"
Lawrence Roulston

Director

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

MOUNTAIN BOY MINERALS LTD.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
(Unaudited, expressed in Canadian dollars)

	Note	For the three months ended May 31		For the six months ended May 31	
		2022	2021	2022	2021
Expenses					
Accounting and audit fees	8	\$ 35,250	\$ 29,000	\$ 94,500	\$ 55,000
Broker Fee		175	-	175	-
Consulting fees	8	24,743	-	68,250	7,216
Filing fees		2,459	6,888	6,196	10,425
Investor relations	8	17,551	15,000	44,505	46,669
Legal fees		371	4,221	4,781	4,221
Management fees	8	27,700	24,800	55,800	50,700
Office and miscellaneous		11,897	3,027	18,035	36,770
Shareholder communications		23,502	20,612	51,067	33,202
Share-based payments	7(d)	212,497	-	212,497	-
Telephone		436	808	436	958
Transfer agent fees		2,217	1,232	4,946	3,573
		<u>(358,798)</u>	<u>(105,588)</u>	<u>(561,188)</u>	<u>(248,734)</u>
Other items					
Settlement of flow-through premium liability	7(b)	-	62,452	-	115,331
Fair value loss on marketable securities	5	(195,246)	(122,446)	(276,876)	(77,384)
Realized gain on marketable securities	5	3,200	-	3,200	32,584
Other (loss) income		(226)	160	1,702	1,037
		<u>(192,272)</u>	<u>(59,834)</u>	<u>(271,974)</u>	<u>71,568</u>
Net loss and comprehensive loss		<u>\$ (551,070)</u>	<u>\$ (165,422)</u>	<u>\$ (833,162)</u>	<u>\$ (177,166)</u>
Basic and diluted loss per share		<u>\$ (0.01)</u>	<u>\$ (0.00)</u>	<u>\$ (0.01)</u>	<u>\$ (0.00)</u>
Weighted average number of common shares outstanding		<u>63,046,344</u>	<u>53,992,151</u>	<u>61,767,243</u>	<u>53,911,713</u>

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

MOUNTAIN BOY MINERALS LTD.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
(Unaudited, expressed in Canadian dollars)

	Note	Number of shares	Share capital	Contributed surplus	Deficit	Total equity
Balance as at November 30, 2020		53,779,551	\$ 29,624,498	\$ 4,797,424	\$ (17,415,956)	\$ 17,005,966
Share issuance costs		-	(603)	-	-	(603)
Exercise of finder's warrants	6	12,600	4,325	(1,174)	-	3,151
Property option payments	5	200,000	48,250	-	-	48,250
Net loss and comprehensive loss		-	-	-	(177,166)	(177,166)
Balance as at May 31, 2021		53,992,151	29,676,470	4,796,250	(17,593,122)	16,879,598
Property option payments	6	150,000	30,000	-	-	30,000
Share-based payments		-	-	124,988	-	124,988
Net income and comprehensive income		-	-	-	665,127	665,127
Balance as at November 30, 2021		54,142,151	29,706,470	4,921,238	(16,927,995)	\$ 17,699,714
Private placements	7	8,469,410	1,439,800	-	-	1,439,800
Share issuance costs		-	(86,085)	25,157	-	(60,928)
Share-based payments		-	-	212,497	-	212,497
Property option payments	6	500,000	83,000	-	-	83,000
Net loss and comprehensive loss		-	-	-	(833,162)	(833,162)
Balance as at May 31, 2022		63,111,561	\$ 31,143,185	\$ 5,158,892	\$ (17,761,157)	18,540,920

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

MOUNTAIN BOY MINERALS LTD.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
(Unaudited, expressed in Canadian dollars)

	For the six months ended May 31	
	2022	2021
Cash provided by (used for):		
Operating activities		
Net loss	\$ (833,162)	\$ (177,166)
Items not involving cash:		
Share-based payments	212,497	-
Fair value loss on marketable securities	276,876	77,384
Realized gain on marketable securities	(3,200)	(32,584)
Settlement of flow-through premium liability	-	(115,331)
Changes in non-cash working capital items:		
Receivables	27,366	73,402
Prepaid expenses	(112,569)	6,780
Trade and other payables	7,904	(465,681)
Due to joint venture partner	-	24,286
Cash (used in) operating activities	(424,288)	(608,910)
Investing activities		
Exploration and evaluation assets	(682,984)	(529,032)
Proceeds from sale of marketable securities	21,200	77,584
Reclamation bonds	(25,878)	-
Cash used in investing activities	(687,662)	(451,448)
Financing activities		
Net proceeds from issuance of common shares	1,378,872	2,548
Cash provided by financing activities	1,378,872	2,548
Net increase (decrease) in cash	266,922	(1,057,811)
Cash - beginning of the period	191,573	3,288,321
Cash - end of the period	\$ 458,495	\$ 2,230,510

Non-Cash Transactions – Note 8

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

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

1. Corporate Information

Mountain Boy Minerals Ltd. (the "Company") is an exploration stage company incorporated on April 26, 1999, under the laws of the Province of British Columbia, Canada. Its principal business activity is the acquisition, exploration and evaluation of mineral properties located in the Province of British Columbia, Canada. The Company's common shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "MTB" and on the OTCQB under the symbol "MBYMF".

The Company's head office is 410-325 Howe Street, Vancouver, BC V6C 1Z7.

2. Basis of Preparation

a) Statement of Compliance

These condensed interim financial statements, including comparatives, have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") using accounting policies consistent with IFRS issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

b) Basis of Measurement

These condensed interim financial statements have been prepared using the historical cost basis except for financial instruments that have been measured at fair value.

The condensed interim financial statements are presented in Canadian dollars, which is the Company's functional currency and presentation currency.

The preparation of condensed interim financial statements in compliance with IFRS requires management to make certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

c) Going Concern

At May 31, 2022, the Company has not generated revenue or cash flow from operations and has an accumulated deficit of \$17,761,157 and expects to incur further losses in the exploration and evaluation of its mineral properties. These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. The Company has not yet determined whether its mineral properties contain economically recoverable reserves. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the confirmation of economically recoverable reserves, the Company's ability to obtain adequate financing to develop the reserves, and its ability to commence profitable operations in the future. These conditions form a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

To date, the Company has been able to fund its operations and its mineral property exploration programs through equity financings and the sale of a non-core asset. The continued volatility in the equity markets may make it difficult to raise capital through the private placement of shares. The junior mining industry is considered speculative in nature which could make it more difficult to fund. While the Company is using its best efforts to achieve its business plans by examining various financing alternatives, there is no assurance that the Company will be successful with its financing ventures.

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

2. Basis of Preparation – (continued)c) Going Concern (continued)

These condensed interim financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts and classification of liabilities that might be necessary should the Company be unable to continue as a going concern.

In March 2020, the World Health Organization declared a global pandemic known as COVID-19. The impact on global commerce continues to be far reaching. Material uncertainties may come into existence that could influence management's going concern assumption. The duration and impact of the COVID-19 outbreak is unknown at this time and it is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company. The Company continues to closely evaluate the impact of COVID-19 on its operations.

d) New accounting standards and interpretations

There were no new accounting standards and interpretations which had a material impact on adoption during the six months ended May 31, 2022.

Pronouncements that are not applicable or that do not have a significant impact on the Company have not been included in these condensed interim financial statements.

3. Significant Accounting Policies

These unaudited condensed interim financial statements have been prepared in accordance with IFRS as issued by the IASB on a basis consistent with those followed in the Company's most recent annual financial statements for the year ended November 30, 2021.

These unaudited condensed interim financial statements do not include all note disclosures required by IFRS for annual financial statements, and therefore should be read in conjunction with the annual financial statements for the year ended November 30, 2021. In the opinion of management, all adjustments considered necessary for fair presentation of the Company's financial position, results of operations and cash flows have been included. Operating results for the six-month period ended May 31, 2022 are not necessarily indicative of the results that may be expected for the current fiscal year ending November 30, 2022.

4. Marketable Securities

The Company holds shares of a publicly traded company which are measured and presented at the observable market share price as at the date of the statements of financial position. The shares were acquired pursuant to the sale of the Silver Coin property in October 2018.

<u>May 31, 2022</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair value</u>
Ascot Resources Ltd.	563,074 \$	506,767 \$	422,305

<u>November 30, 2021</u>	<u>Shares</u>	<u>Cost</u>	<u>Fair value</u>
Ascot Resources Ltd.	583,074 \$	524,767 \$	717,181

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

4. Marketable Securities – (continued)

	Six months ended	
	May 31, 2022	May 31, 2021
Net changes in fair value on marketable securities through profit or loss:		
Realized gain	\$ 3,200	\$ 32,584
Change in unrealized loss	(276,876)	(77,384)

5. Exploration and Evaluation Assetsa) Barbara (BA) and Surprise Creek Properties

By an agreement dated September 21, 2006, the Company acquired a 50% interest in the Barbara property which consists of ten mineral claims situated in the Skeena Mining Division of British Columbia. The Company was required to complete an 800 metre drill program on the property (completed). The property is subject to a 2% net smelter return royalty to a former director of the Company of which 1% may be purchased for \$500,000. During the year ended November 30, 2007, the Company acquired the remaining 50% interest in the property.

On January 28, 2010, the Company entered into an option and joint venture agreement with Great Bear Resources Ltd. ("Great Bear") which granted Great Bear the option to acquire up to a 70% interest in the Barbara, Stro, Booze and George Copper properties. On April 1, 2010, the Company received TSX-V approval for the agreement and issued 120,000 common shares valued at \$1.00 per share as a finder's fee with respect to this transaction. The agreement gave Great Bear the option to earn an initial 50% interest in the Barbara and George Copper properties by paying \$158,000 (paid) and incurring \$5,500,000 in exploration expenditures on or before December 31, 2013 (incurred).

The agreement was amended on October 25, 2010 in which Great Bear could earn an additional 20% interest by completing a bankable feasibility study on or before December 31, 2015. Great Bear did not complete a bankable feasibility study by December 31, 2015 and therefore did not execute their option to acquire an additional 20% interest in the properties. In consideration of the amendment, Great Bear included the Surprise Creek Property under the terms of the agreement and the acquisition costs for the Surprise Creek Property were borne entirely by Great Bear, and were applied against the earn-in requirement towards the Barbara Property. The Surprise Creek Property consists of 19 mineral claims situated in the Skeena Mining Division of British Columbia.

On October 18, 2016, the Company and Great Bear amended their agreement and entered into separate joint venture agreements for the Barbara and Surprise Creek Properties. The joint venture agreements set Great Bear as the operator of the Barbara Property and set the Company as the operator of the Surprise Creek Property. Both the Company and Great Bear retain a 50% ownership interest in the Surprise Creek and Barbara Properties.

On June 1, 2017, the Company and Great Bear entered into an additional option agreement in which the Company was granted the option to acquire Great Bear's 50% interest in the Barbara and Surprise Creek properties by issuing a total of 2,000,000 common shares and paying \$1,300,000 to Great Bear in stages between the date of TSX-V acceptance of the agreement and August 20, 2020 as follows:

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

a) Barbara (BA) and Surprise Creek Properties – (continued)

- On signing, Great Bear will receive 500,000 shares (issued);
- \$150,000 by August 20, 2017 (paid);
- \$150,000 by November 20, 2017 (paid);
- 500,000 shares by April 15, 2018 (issued) and \$300,000 by August 20, 2018 (deferred to March 20, 2019 by issuing 120,000 shares; the Company transferred 323,000 common shares of Ascot to Great Bear in lieu of making the \$300,000 cash payment);
- 500,000 shares by April 15, 2019 (issued) and \$350,000 by August 20, 2019 (the Company transferred 425,000 common shares of Ascot to Great Bear in lieu of making the \$350,000 cash payment); and
- 500,000 shares by April 15, 2020 (issued) and \$350,000 by August 20, 2020 (the Company issued 620,000 common shares to Great Bear in lieu of making the \$350,000 cash payment (Note 6)).

As at May 31, 2022, the Company has made all the required payments and common share issuances to Great Bear under the additional option agreement to acquire Great Bear's 50% interest in the Barbara and Surprise Creek properties.

In addition, the Company will make cash payments to Great Bear on achieving certain milestones toward establishing an economic resource, which could amount to as much as \$3,700,000 were both properties to go into production.

b) Red Cliff Property

The Company had a 100% interest in the Red Cliff claims which are located in the Skeena Mining Division of British Columbia. The Red Cliff property was subject to a 2% net smelter return royalty ("NSR") of which 1% may be purchased for \$1,000,000.

On November 19, 2008, Decade Resources Ltd. ("Decade"), a public company, with a former director in common with the Company acquired a 60% interest in Red Cliff claims by incurring \$1,250,000 in exploration expenditures on the Red Cliff Claims. Decade became the operator of the property.

On October 31, 2011, the Company informed Decade that it could not finance its share of exploration expenditures and therefore would have its interest diluted under the terms of the joint venture agreement. At October 31, 2011, the Company owed Decade \$435,785 in exploration expenditures related to its 40% interest in the Red Cliff property. Effective November 1, 2011, the Company agreed to dilute its interest by 5% in lieu of the \$435,785 thereby reducing its interest to 35%.

On October 23, 2017, Decade and the Company purchased a 1% NSR in the Red Cliff claims whereby the Company paid \$3,500 in cash and issued 34,286 common shares for the Company's 35% interest in the NSR.

As of May 31, 2022, the Company had a balance payable to Decade of \$24,286 (November 30, 2021: \$24,286) for joint venture exploration costs on Red Cliff which was included in due to joint venture partner.

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)c) American Creek West Project

The Company has a 100% interest in seven mineral claims located in the Skeena Mining Division in the Province of British Columbia.

The claims are subject to a 2% net smelter return royalty which may be purchased for \$1,000,000, or one half of it may be purchased for \$500,000.

On March 1, 2019, the Company entered into an option agreement to earn 100% interest in the Dorothy Property. To earn the 100% interest, over a four-year period the Company is to pay a total of \$120,000 to the optionors plus issue 800,000 common shares as purchase consideration.

	Cash		Shares		Cumulative Exploration Work Commitments
5 days from TSXV approval	\$ 5,000	Paid	100,000	Issued	\$ -
March 1, 2020	15,000	Paid	100,000	Issued	\$ 50,000 Met
March 1, 2021	25,000	Paid	150,000	Issued	\$ 125,000 Met
March 1, 2022	25,000	Paid	200,000	Issued	\$ 200,000 Met
March 1, 2023	50,000		250,000		\$ 500,000
TOTAL	\$ 120,000		800,000		

On March 17, 2019, the Company entered into an option agreement to acquire a 100% interest in a portion of the Silver Crown property. Under the agreement with AUX Resources Corporation (“AUX”), the Company participated in an underlying option agreement, by which the two companies divide the property based on the relative areas, each taking portions adjacent to existing projects, with AUX being responsible for 15% of the payments to the underlying owners and the Company being responsible for 85% of the payments.

AUX and the Company, at the time the agreement was entered into, had one director in common with the decision on this agreement determined by the other directors. The underlying AUX option of the Silver Crown property is an arm's-length transaction.

In March 2021, the Company completed the acquisition of the 100% of the Silver Crown property by reimbursing AUX its 85% of the required \$120,000 cash payments and 500,000 common shares to the underlying owners. The underlying owners retain a 2% net smelter return royalty, of which one-half can be purchased for \$1 million until 90 days after the start of commercial production, with an advance royalty commencing in 2026.

d) Southmore Property

The Southmore property is located in the Skeena Mining Division in the Province of British Columbia. On August 23, 2019, the Company acquired 100% interest in this property through staking and a purchase agreement with a third party by issuing 160,000 common shares of the Company (issued).

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)e) Telegraph Property

On April 30, 2021, the Company entered into an option agreement to earn 60% interest in the Telegraph (DOK) Property. To earn the 60% interest, over a five-year period the Company is to pay a total of \$230,000 to the optionor, issue 1,500,000 common shares as purchase consideration to the optionor and incur a cumulative \$2,500,000 exploration work. The underlying owners of the property have a 3% NSR with the optionor having the right to purchase 2% of the NSR for \$2 million.

	Cash		Shares		Cumulative Exploration Work Commitments	
5 days from signing agreement	\$ 10,000	Paid			\$ -	
Upon the TSXV approval	-		100,000	Issued	\$ -	
January 15, 2022	20,000	Paid	200,000	Issued	\$ 150,000	Met
January 15, 2023	20,000		200,000		\$ 650,000	
January 15, 2024	50,000		200,000		\$ 1,150,000	
January 15, 2025	60,000		200,000		\$ 1,750,000	
January 15, 2026	70,000		600,000		\$ 2,500,000	
TOTAL	\$ 230,000		1,500,000			

On April 30, 2021, the Company entered into an option agreement to earn 100% interest in the Telegraph (DOKX-Yeti) Property. To earn the 100% interest, over a four-year period the Company is to pay a total of \$150,000 to the optionor, issue 500,000 common shares as purchase consideration to the optionor and incur a cumulative \$500,000 exploration work. The underlying owner of the property has a 1% NSR and the optionor has a 0.1% NSR. The Company has the right to buy back 0.5% NSR from the underlying owner for \$500,000 if cumulative \$500,000 exploration work has been met.

	Cash		Shares		Cumulative Exploration Work Commitments	
2 days from signing agreement	\$ 5,000	Paid			\$ -	
45 days from signing agreement	5,000	Paid	50,000	Issued	\$ -	
April 30, 2022	20,000	Paid	100,000	Issued	\$ 50,000	Met
April 30, 2023	25,000		100,000		\$ 150,000	
April 30, 2024	25,000		100,000		\$ 300,000	
April 30, 2025	70,000		150,000		\$ 500,000	
TOTAL	\$ 150,000		500,000			

On January 18, 2022, the Company acquired 100% interest in two additional tenures in the Telegraph Property from a vendor for \$4,000

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

f) Other Properties

Stro, Booze and George Copper Properties

The Company has a 100% interest in the Stro, Booze and George Copper mineral properties located in the Skeena Mining Division of British Columbia.

As part of the joint venture and option agreement on the Barbara property, the Company granted Great Bear Resources Ltd. the option to acquire up to a 70% interest in the Stro, Booze and George Copper properties. See Note 5(a) – Barbara (BA) and Surprise Creek Properties.

West George Copper Property

On August 30, 2017, the Company entered into an option agreement with AUX Resource Corporation (“AUX”) whereby the Company can earn a 60% interest in West George Copper property as follows:

- On signing, AUX received \$700,000 in portable assessment credits;
- \$10,000 cash (paid) and \$30,000 of work expenditures before the second anniversary (amended and extended to August 30, 2020 - met); and
- \$20,000 cash (paid) and \$50,000 of work expenditures (met) before the third anniversary.

The Company has earned a 60% interest in the George Copper West property, with AUX holding a 40% interest, carried through exploration, and a 2% royalty which is subject to buy-down provisions of 1% for \$1,000,000.

The property consists of 288 hectares adjacent to the Company's 100% owned George Copper property.

Manuel Creek Property

On December 9, 2016, the Company acquired a 100% interest in the Manuel Creek zeolite property located northeast of Keremeos, British Columbia for \$15,000.

The Company acquired two claims covering the Manuel Creek zeolite property for \$3,500 in April 2018.

On March 5, 2020, the Company signed an agreement to sell its interest in the Manuel Creek property for \$30,000. As of May 31, 2021, the Company received \$15,000 from this purchaser and has transferred the title to the purchaser while retaining a 3% net smelter royalty (“NSR”). The purchaser may purchase 2% NSR with each 1% of the NSR for an additional \$100,000. The remaining \$15,000 payment from the purchaser is due on or before March 5, 2022.

Theia Property

On December 22, 2020, the Company announced the acquisition, through staking and purchase, of the Theia property, located in the Golden Triangle. The Company paid \$10,000 and issued 50,000 shares for the Rouge claim, with an NSR of 1.5% retained by the seller. This NSR may be purchased at any time for \$1,500,000. The Razzle/Dazzle group was purchased for \$12,500. All tenures are now held 100% by the Company.

g) British Columbia Mining Exploration Tax Credit (“BC METC”)

During the six months ended May 31, 2022, the Company received \$nil BC METC (year ended November 30, 2021 - \$1,496) which was recorded as a reduction of exploration and development costs.

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

	Barbara and Surprise Creek	Red Cliff	American Creek West	Southmore	Telegraph	Other Properties	Total
Property acquisition costs							
Balance November 30, 2021	\$ 2,129,995	\$ 201,974	\$ 1,179,982	\$ 35,876	\$ 52,000	\$ 102,619	\$ 3,702,446
Property payments	-	375,300	58,000	-	94,000	-	527,300
Balance May 31, 2022	2,129,995	577,274	1,237,982	35,876	146,000	102,619	4,229,746
Deferred exploration costs							
Balance November 30, 2021	4,921,623	5,313,007	4,588,238	222,741	298,633	531,850	15,876,092
Assays	-	-	3,480	-	-	-	3,480
Camp costs	9,000	-	-	-	-	-	9,000
Data Processing	-	-	-	-	1,280	-	1,280
Drilling	-	-	4,375	-	-	-	4,375
Geological	28,724	7,285	15,758	17,036	64,213	14,548	147,564
Maps	7,500	-	-	-	31,938	-	39,438
Staking	-	-	-	-	1,916	-	1,916
Storage	-	-	2,348	-	-	-	2,348
	45,224	7,285	25,961	17,036	99,347	14,548	209,401
Balance May 31, 2022	4,966,847	5,320,292	4,614,199	239,777	397,980	546,398	16,085,493
Less:							
Mining tax credit BC METC	-	(303,694)	-	-	-	-	(303,694)
Total	\$ 7,096,842	\$ 5,593,872	\$ 5,852,181	\$ 275,653	\$ 543,980	\$ 649,017	\$ 20,011,545

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

5. Exploration and Evaluation Assets – (continued)

	Barbara and Surprise Creek	Red Cliff	American Creek West	Southmore	Telegraph	Other Properties	Total
Property acquisition costs							
Balance November 30, 2020	\$ 2,129,995	\$ 201,974	\$ 1,034,242	\$ 35,876	\$ -	\$ 59,619	\$ 3,461,706
Property payments	-	-	145,740	-	52,000	43,000	240,740
Balance November 30, 2021	2,129,995	201,974	1,179,982	35,876	52,000	102,619	3,702,446
Deferred exploration costs							
Balance November 30, 2020	4,569,116	5,277,906	3,357,097	47,583	-	443,616	13,695,318
Assays	-	8,026	132,566	-	-	-	140,592
Camp costs	109,807	1,293	115,354	323	25,935	12,220	264,932
Claim Fees and licenses	197	98	1,115	-	98	709	2,217
Community engagement	-	-	-	-	40,000	-	40,000
Drilling	-	-	384,286	-	-	-	384,286
Equipment rental	11,853	198	27,145	49	9,686	2,148	51,079
General and administration	548	175	1,940	-	1,034	155	3,852
Geological	98,795	12,403	218,439	17,125	108,874	52,956	508,592
Geophysics	321	-	20,055	-	40	101	20,517
Mineralogy	2,550	-	7,186	-	2,850	-	12,586
Helicopter	104,698	-	266,658	113,491	59,988	14,487	559,322
Labour	13,265	3,953	29,874	-	27,335	689	75,116
Biological	2,430	-	2,430	-	-	-	4,860
Road clearing	-	-	1,667	-	-	-	1,667
Survey	-	-	-	44,133	-	-	44,133
Staking	-	-	-	-	16,408	4,381	20,789
Storage	-	-	3,918	-	-	-	3,918
Supplies and miscellaneous	8,043	8,955	18,508	37	6,385	388	42,316
	352,507	35,101	1,231,141	175,158	298,633	88,234	2,180,774
Balance November 30, 2021	4,921,623	5,313,007	4,588,238	222,741	298,633	531,850	15,876,092
Less:							
Mining tax credit BC METC	-	(303,694)	-	-	-	-	(303,694)
Total	\$ 7,051,618	\$ 5,211,287	\$ 5,768,220	\$ 258,617	\$ 350,633	\$ 634,469	\$ 19,274,844

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

6. Share Capital

a) Authorized

Unlimited common shares without par value

b) Details of issuance of common shares

During the Six Months Ended May 31, 2022:

On December 30, 2021, the Company completed a non-brokered private placement by issuing 7,587,057 flow-through units ("FT Unit") at a price of \$0.17 per FT Unit for gross proceeds of \$1,289,800. Each FT Unit consists of one common share and one-half of one warrant for a total of 3,793,530 warrants issued. Each full warrant is exercisable at \$0.26 for two years expiring on December 30, 2023. The Company also completed a non-brokered private placement by issuing 882,353 units ("Units") at a price of \$0.17 per Unit for the gross proceeds of \$150,000. Each Unit consists of one common share and one-half of one share purchase warrant for a total of 441,177 warrants issued. Each full warrant is exercisable at \$0.20 for a period of two years expiring on December 30, 2023. In connection with the financing, the Company paid \$50,933 as a cash finder's fee and issued 303,104 finder's warrants exercisable at \$0.17 for two years expiring on December 30, 2023. The finder's warrants were ascribed with a value of \$25,158 using the Black-Scholes Option Pricing Model. The Company incurred another \$9,994 share issue costs. The Company did not record a flow-through premium liability for this private placement.

On January 14, 2022, the Company issued 200,000 common shares with a fair value of \$34,000 to the optionor for the DOK property (Note 5(e)).

On February 25, 2022, the Company issued 200,000 common shares with a fair value of \$33,000 to the optionors for the Dorothy property (Note 5(c)).

On April 29, 2022, the Company issued 100,000 common shares with a fair value of \$16,000 to the optionor for the DOKX-Yeti property (Note 5(e)).

During the Year Ended November 30, 2021:

On December 23, 2020, the Company issued 50,000 common shares with a fair value of \$20,500 for the Rouge claim pursuant to the Theia property acquisition (Note 5(f)).

On February 26, 2021, the Company issued 150,000 common shares with a fair value of \$27,750 to the optionors for the Dorothy property (Note 5(c)).

On June 14, 2021, the Company issued 50,000 common shares with a fair value of \$10,500 to the optionor for the DOK property (Note 5(e)).

On June 22, 2021, the Company issued 100,000 common shares with a fair value of \$19,500 to the optionor for the DOKX-Yeti property (Note 5(e)).

The Company issued a total of 12,600 common shares for proceeds of \$3,150 pursuant to the exercise of finder's warrants (Note 6(e)).

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

6. Share Capital – (continued)c) Warrants

A continuity of warrants for the six months ended May 31, 2022 is as follows:

Expiry date	Exercise price (\$)	November 30, 2021	Issued	Exercised	Expired	May 31, 2022				
July 7, 2022	0.40	4,000,000	-	-	-	4,000,000				
November 16, 2023	0.60	1,575,000	-	-	-	1,575,000				
December 30, 2023	0.26	-	3,793,530	-	-	3,793,530				
December 30, 2023	0.20	-	441,177	-	-	441,177				
Warrants outstanding		5,575,000	4,234,707	-	-	9,809,707				
Weighted average exercise price (\$)	\$	0.46	\$	0.25	\$	-	\$	-	\$	0.37

A continuity of warrants for the year ended November 30, 2021 is as follows:

Expiry date	Exercise price (\$)	November 30, 2020	Issued	Exercised	Expired	November 30, 2021				
July 7, 2022	0.40	4,000,000	-	-	-	4,000,000				
November 16, 2023	0.60	1,575,000	-	-	-	1,575,000				
Warrants outstanding		5,575,000	-	-	-	5,575,000				
Weighted average exercise price (\$)	\$	0.46	\$	-	\$	-	\$	-	\$	0.46

The weighted average remaining life of the outstanding warrants as at May 31, 2022 is 0.96 years (November 30, 2021 – 0.98 years).

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

6. Share Capital – (continued)d) Share Purchase Option Compensation Plan

The Company has a stock option plan under which the maximum number of stock options available for grant cannot exceed 10% of the issued and outstanding common shares of the Company at the date of the grant. Stock options may be granted for a maximum term of five years and expire 90 days from termination of employment or holding office as a director or officer of the Company. Unless otherwise stated, stock options vest when granted.

A continuity of options for the six months ended May 31, 2022 is as follows:

Expiry date	Exercise price (\$)	November 30, 2021	Issued	Exercised	Expired / forfeited	May 31, 2022		
July 10, 2023	0.40	2,160,000	-	-	(600,000)	1,560,000		
July 10, 2024	0.21	400,000	-	-	-	400,000		
March 17, 2025	0.25	250,000	-	-	-	250,000		
August 5, 2025	0.455	1,175,000	-	-	(50,000)	1,125,000		
September 14, 2026	0.21	550,000	-	-	-	550,000		
October 12, 2026	0.21	450,000	-	-	-	450,000		
March 23, 2027	0.17	-	1,230,000	-	-	1,230,000		
Options outstanding		4,985,000	1,230,000	-	(650,000)	5,565,000		
Options exercisable		4,572,500	1,230,000	-	-	5,427,500		
Weighted average exercise price (\$)	\$	0.35	\$	0.17	\$	0.40	\$	0.31

A continuity of options for the year ended November 30, 2021 is as follows:

Expiry date	Exercise price (\$)	November 30, 2020	Issued	Exercised	Expired / forfeited	November 30, 2021		
September 7, 2021	0.25	400,000	-	-	(400,000)	-		
July 10, 2023	0.40	2,160,000	-	-	-	2,160,000		
July 10, 2024	0.21	400,000	-	-	-	400,000		
March 17, 2025	0.25	250,000	-	-	-	250,000		
August 5, 2025	0.455	1,175,000	-	-	-	1,175,000		
September 14, 2026	0.21	-	550,000	-	-	550,000		
October 12, 2026	0.21	-	450,000	-	-	450,000		
Options outstanding		4,385,000	1,000,000	-	(400,000)	4,985,000		
Options exercisable		4,385,000	587,500	-	-	4,572,500		
Weighted average exercise price (\$)	\$	0.38	\$	0.21	\$	0.25	\$	0.35

The weighted average remaining life of the outstanding options as at May 31, 2022 is 3.07 years (November 30, 2021 – 2.91 years).

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

6. Share Capital – (continued)d) Share Purchase Option Compensation Plan – (continued)

The fair value of the stock options granted during the six months ended May 31, 2022 was \$195,570 (May 31, 2021 - \$Nil). The following table summarizes the assumptions used in the Black-Scholes Option Pricing Model to estimate the fair value of the options:

	2022	2021
Risk-free interest rate	1.34%	Nil
Expected stock price volatility	162.84%	Nil
Expected option life in years	5 years	Nil
Expected dividend yield	Nil	Nil
Forfeiture rate	0.00%	Nil
Share price on grant date	\$0.17	Nil

e) Finders' Warrants

A continuity of finders' warrants for six months ended May 31, 2022 is as follows:

Expiry date	Exercise price (\$)	November 30, 2021	Issued	Exercised	Expired	May 31, 2022
December 30, 2023	0.17	-	303,104	-	-	303,104
Warrants outstanding		-	303,104	-	-	303,104
Weighted average exercise price (\$)	\$	-	\$ 0.17	\$	-	\$ 0.17

The weighted average remaining life of the outstanding finder's warrants as at May 31, 2022 is 1.58 years (November 30, 2021 – Nil years).

The fair value of the finder's warrants issued during the six months ended May 31, 2022 was \$25,158 (May 31, 2021 - \$Nil). The following table summarizes the assumptions used in the Black-Scholes Option Pricing Model to estimate the fair value of the finder's warrants:

	2022	2021
Risk-free interest rate	0.48%	Nil
Expected stock price volatility	102.7706%	Nil
Expected warrant life in years	2 years	Nil
Expected dividend yield	Nil	Nil
Share price on grant date	\$ 0.17	Nil

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

7. Related Party Transactions

Payments to related parties were made in the normal course of operations and were recorded at the exchange amount which is the amount agreed to by the Company and the related party. Amounts due to or from related parties are unsecured, non-interest bearing and due on demand. There are no commitments or guarantees associated with the outstanding balances.

Amounts in accounts payable:	Services for:	Six months ended		As at	As at
		May 31	May 31	May 31	November 30
		2022	2021	2022	2021
Lawrence Roulston	Management fee	\$ 90,000	\$ 60,000	\$ -	\$ -
Rene Bernard	Consulting fee	30,000	30,000	-	-
A private company controlled by a director of the Company ^(a)	Accounting and management services	66,750	55,000	7,875	5,880
A private company controlled by a former officer of the Company ^(b)	Marketing services	-	30,000	-	-
A private company controlled by an officer of the Company ^(c)	Geological services	83,365	71,044	-	-
Total		\$ 270,115	\$ 246,044	\$ 7,875	\$ 5,880

(a) Mark T. Brown, a director of the Company, is the president of this private company.

(b) Nancy Curry, the former Vice President Corporate Development, is the owner of this private company.

(c) Lucia Theny, the Vice President Exploration effective April 23, 2019, is a co-owner of this private company where it employs several geologists to provide geological services to the Company.

Key management personnel compensation includes all compensation paid to executive management and members of the board of directors of the Company.

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

7. Related Party Transactions – (continued)

For the six months ended May 31, 2022:

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Other expenses	Share-based payments ⁽¹⁾	Total
Lawrence Roulston Chief Executive Officer, Director	\$90,000	\$Nil	\$Nil	\$Nil	\$Nil	\$7,950	\$97,950
Rene Bernard Director	\$30,000	\$Nil	\$Nil	\$Nil	\$Nil	\$39,750	\$69,750
Dorian L. Nicol Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$15,900	\$15,900
Winnie Wong Chief Financial Officer	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$15,900	\$15,900
Lucia Theny VP Exploration	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$7,950	\$7,950
Mark T. Brown Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$7,950	\$7,950
Ron Cannan Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$7,950	\$7,950
Ben Whiting Director	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$7,950	\$7,950
Total:	\$120,000	\$Nil	\$Nil	\$Nil	\$Nil	\$111,300	\$231,300

For the six months ended May 31, 2021:

	Short-term employee benefits	Post- employment benefits	Other long- term benefits	Termination benefits	Other expenses	Share-based payments ⁽¹⁾	Total
Lawrence Roulston Chief Executive Officer, Director	\$60,000	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$60,000
Rene Bernard Director	\$30,000	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$30,000
Total:	\$90,000	\$Nil	\$Nil	\$Nil	\$Nil	\$Nil	\$90,000

⁽¹⁾ Share-based payments are the fair values of the stock options granted during the six months ended May 31, 2022 and 2021 calculated using the Black-Scholes Option Pricing Model (see Note 6(d)).

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

8. Non-Cash Transactions

Investing and financing activities that do not have a direct impact on cash flows are excluded from the statements of cash flows. The following transactions were excluded from the statements of cash flows:

During the six months ended May 31, 2022:

- a) On January 14, 2022, the Company issued 200,000 common shares with a fair value of \$34,000 to the optionor for the DOK property (Note 5(e)).
- b) On February 25, 2022, the Company issued 200,000 common shares with a fair value of \$33,000 to the optionors for the Dorothy property (Note 5(c)).
- c) The Company incurred exploration and evaluation costs of \$85,730 which are included in trade and other payables at May 31, 2022.
- d) On April 29, 2022, the Company issued 100,000 common shares with a fair value of \$16,000 to the optionor for the DOKX-Yeti property (Note 5(e)).

During the six months ended May 31, 2021:

- a) The Company issued 150,000 common shares with a fair value of \$27,750 for an option payment on the Dorothy property.
- b) The Company issued 50,000 common shares with a fair value of \$10,500 for an option payment on the Theia property.

9. Financial Instruments

The fair values of the Company's financial assets and liabilities approximate their carrying amounts because of their current nature.

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Inputs that are not based on observable market data.

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

For the six months ended May 31, 2022 and 2021

(Unaudited, expressed in Canadian dollars)

9. Financial Instruments – (continued)

The Company's financial instruments consist of cash and cash equivalents, marketable securities, reclamation bonds, trade and other payables and due to joint venture partner. Cash and cash equivalents and marketable securities are measured at fair value through profit and loss. Reclamation bonds are measured at amortized cost. Trade and other payables and due to joint venture partner are measured at amortized cost.

The fair value of the Company's cash and cash equivalents and marketable securities is measured using level one of the fair value hierarchy.

The Company's financial instruments are exposed to certain financial risks. The risk exposures and the impact on the Company's financial instruments are summarized below.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and cash equivalents are exposed to credit risk. The Company reduces its credit risk on cash by placing these instruments with institutions of high credit worthiness.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's cash and cash equivalents are exposed to interest rate risk.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company's trade and other payables are all current and due within 90 days of the statement of financial position date. At May 31, 2022, the Company had a working capital surplus of \$901,190 which will provide sufficient capital to meet its short-term financial obligations.

Market Risk

Market risk is the risk that the fair value of, or future cash flows from, the Company's financial instruments will significantly fluctuate due to changes in market prices. The sale of financial instruments can be affected by changes in interest rates, foreign exchange rates, and equity prices. The Company is exposed to market risk in trading its investments, and unfavourable markets conditions could result in dispositions of investments at less than favourable prices. The Company's investments are accounted for at estimated fair values and are sensitive to changes in markets prices, such that changes in market prices results in a proportionate change in the carrying value of the Company's investments.

Mountain Boy Minerals Ltd.

Notes to the Financial Statements

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(Unaudited, expressed in Canadian dollars)

10. Capital Disclosures

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern to pursue the development of its mineral properties, finance corporate overhead costs, meet obligations as they come due, and to maintain a flexible capital structure which optimizes the cost of capital within a framework at an acceptable risk. In the management of capital, the Company includes the components of shareholders' equity, as well as cash. The Company has no earning and therefore has historically financed its acquisition and exploration activities and corporate overhead costs by the sale of common shares.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. In order to maximize development efforts, the Company does not pay out dividends.

The Company is dependent on the capital markets as its sole source of operating capital and the Company's capital resources are largely determined by the strength of the junior resources markets and by the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects. The Company is not subject to any externally imposed capital requirements.