



Kintavar Exploration Inc.

Unaudited Condensed Interim Consolidated Financial Statements

Three months ended March 31, 2022

The attached financial statements have been prepared by Management of Kintavar Exploration Inc. and have not been reviewed by the auditors

Kintavar Exploration Inc.

Consolidated Statements of Financial Position
(Unaudited, in Canadian Dollars)

	Note	As at March 31, 2022	As at December 31, 2021
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	4	1,673,566	3,153,325
Receivables	7	1,481,184	932,812
Inventory		58,438	61,808
Investments	5	1,506,789	1,000,819
Investments in listed companies	6	82,300	87,400
Prepaid fees and other		174,788	154,042
Current assets		4,977,065	5,390,206
Non-current assets			
Exploration and evaluation assets	8	2,518,551	2,505,247
Property and equipment	9	4,281,610	4,359,495
Non-current assets		6,800,161	6,864,742
Total assets		11,777,226	12,254,948
Liabilities			
Current liabilities			
Trade and other payables	10	535,239	583,353
Deferred revenues		387,333	461,614
Obligations under finance leases		36,662	145,822
Long-term debt	13	86,212	80,648
Liability related to the premium on flow-through shares	11	97,500	136,469
Current liabilities		1,142,946	1,407,906
Non-current liabilities			
Deferred tax liability	12	56,642	56,642
Long-term debt	13	959,846	985,340
Non-current liabilities		1,016,488	1,041,982
Total liabilities		2,159,434	2,449,888
Equity			
Share capital	14	21,639,532	21,517,532
Broker warrants	16	58,902	58,902
Stock options	17	1,773,055	1,845,691
Contributed Surplus		1,345,064	1,303,569
Deficit		(15,198,761)	(14,920,634)
Total equity		9,617,792	9,805,060
Total liabilities and equity		11,777,226	12,254,948

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

Kintavar Exploration Inc.

Consolidated Statements of Loss and Comprehensive Loss (Unaudited, in Canadian Dollars)

	Note	Three months ended March 31,	
		2022 \$	2021 \$
Project management fees		28,263	16,201
Sales		1,023,925	302,074
Income		1,052,188	318,275
Operating expenses			
Exploration and evaluation, net of tax credits	18	246,520	89,726
Costs of sales		432,496	139,243
Salaries and benefits		312,508	167,863
Share-based compensation		20,860	18,681
Professional fees		51,562	59,264
Travel, conference and investor relations		29,173	6,990
General expenses and maintenance		129,948	71,432
Administration		40,722	19,351
Filing fees		7,716	9,858
Rent		2,775	2,775
Insurances and taxes		13,077	8,220
Depreciation of property and equipment		91,765	58,638
Operating loss		(326,934)	(333,766)
Other income (expenses)			
Interest income		8,969	5,126
Finance costs		(21,768)	(21,404)
Other revenue		29,804	7,707
Unrealized loss in fair value of investments in listed companies		(5,100)	(1,500)
Gain on disposal of property and equipment		-	5,000
		11,905	(5,071)
Net loss before income taxes		(315,029)	(338,837)
Deferred tax recovery	12	36,902	38,916
Net loss and comprehensive loss		(278,127)	(299,921)
Basic and diluted loss per share		(0.002)	(0.003)
Weighted average number of basic and diluted outstanding shares		123,045,045	105,929,134

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

Kintavar Exploration Inc.

Consolidated Statements of Changes in Equity (Unaudited, in Canadian Dollars)

	Note	Number of shares outstanding	Capital Stock \$	Broker Warrants \$	Stock Options \$	Contributed surplus \$	Deficit \$	Total equity \$
Balance as at January 1, 2022		122,908,378	21,517,532	58,902	1,845,691	1,303,569	(14,920,634)	9,805,060
Loss and comprehensive loss for the period		-	-	-	-	-	(278,127)	(278,127)
Stock-based compensation		-	-	-	20,859	-	-	20,859
Exercise of stock options		500,000	122,000	-	(52,000)	-	-	70,000
Expired options		-	-	-	(41,495)	41,495	-	-
Balance as at March 31, 2022		123,408,378	21,639,532	58,902	1,773,055	1,345,064	(15,198,761)	9,617,792

	Note	Number of shares outstanding	Capital Stock \$	Broker Warrants \$	Stock Options \$	Contributed surplus \$	Deficit \$	Total equity \$
Balance as at January 1, 2021		105,929,134	18,449,250	10,020	1,719,814	1,300,956	(13,182,029)	8,348,011
Loss and comprehensive loss for the period		-	-	-	-	-	(299,921)	(299,921)
Stock-based compensation		-	-	-	18,681	-	-	18,681
Expired options		-	-	-	(2,613)	2,613	-	-
Balance as at March 31, 2021		105,929,134	18,499,250	10,020	1,735,882	1,303,569	(13,481,950)	8,066,771

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

Kintavar Exploration Inc.
Consolidated Statements of Cash Flows
(Unaudited, in Canadian Dollars)

	Note	Three months ended March 31	
		2022 \$	2021 \$
Operating activities			
Net loss for the period		(278,127)	(299,921)
Adjustments for:			
Stock-based compensation		20,859	18,681
Accrued interest on investments		(5,970)	(5,282)
Depreciation of property and equipment		91,765	58,638
Gains on disposal of property and equipment		-	(5,000)
Unrealized loss in fair value of an investment in listed companies		5,100	1,500
Deferred income tax recovery		(38,969)	(38,360)
Accretion of the long-term debt		1,067	1,067
Change in non-cash working capital items	19	(688,143)	147,327
Cash flows used in operating activities		(892,418)	(121,350)
Investing activities			
Acquisition of investments		(500,000)	(183,348)
Additions of exploration and evaluation assets		(13,304)	(5,762)
Acquisition of property and equipment		(13,880)	(141,913)
Proceeds from sale of property and equipment		-	5,000
Cash flows used in investing activities		(527,184)	(326,023)
Financing activities			
Reduction in bank overdraft		-	(6,794)
Options exercised		70,000	-
Repayment of obligations under financial leases		(109,160)	-
Repayment of long-term debt		(20,997)	(20,443)
Cash flows used in financing activities		(60,157)	(27,237)
Net change in cash and cash equivalents		(1,479,759)	(474,610)
Cash and cash equivalents - beginning		3,153,325	3,643,175
Cash and cash equivalents - ending		1,673,566	3,168,565

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

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

1. NATURE OF OPERATIONS

Kintavar Exploration Inc. (the "Corporation") was formed on March 24, 2017 upon the issuance of an amalgamation certificate under the *Business Corporations Act* (Quebec) and is engaged in the acquisition, exploration and evaluation of mining properties in Canada. The Corporation's class A common shares ("Shares") are listed on the TSX Venture Exchange (the "Exchange") under the symbol KTR. The address of the Corporation's registered office and principal place of business is 75, boul. de Mortagne, Boucherville, Quebec, Canada, J4B 6Y4.

The Corporation has not yet determined whether its mineral properties contain ore reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets is dependent upon the ability of the Corporation to obtain necessary financing to pursue the exploration and evaluation on its mining properties.

The present audited financial statements (the "Financial Statements") have been prepared on the basis of accounting principles applicable to a going concern, which contemplates the realization of assets and settlement of liabilities in the normal course of business as they come due. As at March 31, 2022, the Corporation reported a net loss of \$278,127 (\$299,921 as of March 31, 2021) and has an accumulated deficit of \$15,198,761 (\$14,920,634 as of December 31, 2021). As of March 31, 2022, the Corporation had a working capital of \$3,834,119 (\$3,982,300 as at December 31, 2021)

Management of the Corporation believes it has sufficient funds to pay its ongoing general and administrative expenses, to pursue its budgeted exploration and evaluation expenditures, and to meet its liabilities, obligations and existing commitments for the ensuing twelve (12) months as they fall due. While management has been successful in securing financing in the past, there can be no assurance that it will be able to do so in the future or that these sources of funding or initiatives will be available to the Corporation or that they will be available on terms which are acceptable to the Corporation.

Since March 2020, the COVID-19 pandemic has had a significant impact on the world financial market as well as on the price of several metals including copper, the main resource in the Corporation's portfolio of projects. The Corporation continues to monitor and assess the impact on its exploration activities and the operation of the outfitter. Despite volatile financial market, the company has successfully raised shares through private placements (note 14) and has also increased its revenue from the operations of the outfitter.

2. BASIS OF PRESENTATION

These Financial Statements have been prepared in accordance with the International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") applicable to the preparation of interim financial statements, including International Accounting Standard ("IAS") 34, Interim Financial Reporting. The Financial Statements should be read in conjunction with the annual financial statements for the year ended December 31, 2021, which have been prepared in accordance with IFRS. The accounting policies, methods of computation and presentation applied in these Financial Statements are consistent with those of the previous financial year.

The Board of Directors has approved the Financial Statements on May 25, 2022.

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of Financial Statements in conformity with IFRS requires the Corporation to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. The Corporation also makes estimates and assumptions concerning the future. The determination of estimates requires the exercise of judgement based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the Financial Statements, the significant judgements made by management in applying the Corporation's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the annual financial statements for the year ended December 31, 2021.

4. CASH AND CASH EQUIVALENTS

The short-term investments held as at December 31, 2021 and classified as cash equivalent include an investment of \$1,823,236 in a high interest exchange trading fund.

The Corporation has the following credit facility:

- Operating line of credit, which provides for advances of up to \$50,000, bearing interest at the prime rate of financial institution plus 2.35% (effective rate of 5.55% as at March 31, 2022). As at March 31, 2022, the amount outstanding under this credit facility was \$14,139 (nil as at December 31, 2021).

The flow-through financing balance not yet spent according to the terms of the financing completed on November 10, 2021 represents \$1,581,222 as at March 31, 2022 (\$1,864,001 as at December 2021). The Corporation has dedicated these funds to Canadian exploration expenses to be completed before December 31, 2022.

5. INVESTMENTS

The short-term investments held as at March 31, 2022 are as follows:

- Investment in three guaranteed investment certificates that are non-cashable prior to maturity. All three certificates totalize \$1,000,000 in nominal value and bear interest at 1.35%, payable at maturity on December 12, 2022.
- Investment of \$500,000 in a guaranteed investment certificates that is non-cashable prior to maturity, bearing interest at 1.71% and payable at maturity on February 23, 2023.

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

6. INVESTMENT IN LISTED COMPANIES

The Corporation holds marketable securities. The investments are listed on the Exchange and valued at fair value based on quoted market prices.

The shares are listed on the Exchange. The total amount of the investment can be summarized as follows:

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Gitennes Exploration Inc. – 450,000 common shares (450,000 as at December 31, 2021)	20,250	20,250
Northern Superior Resources Inc. – 85,000 common shares (85,000 as at December 31, 2021)	62,050	67,150
Investment in listed companies	82,300	87,400

7. RECEIVABLES

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Accounts receivable	704,109	178,061
Due from Geomega Resources Inc.	16,057	28,624
Sales taxes receivable	174,253	155,892
Tax credits and mining rights receivable	561,632	560,041
Others	25,133	10,194
Receivables	1,481,184	932,812

8. EXPLORATION AND EVALUATION ASSETS

Mining properties acquisition costs	As at Jan. 1, 2022	Additions	Impairment	Disposal	Payment on options	As at March 31, 2022
	\$	\$	\$	\$	\$	\$
Mitchi	929,571	5,363	-	-	-	934,934
Anik ¹	1,405,654	-	-	-	-	1,405,654
Rivière à l'aigle	105,144	7,185	-	-	-	112,329
Cousineau	4,779	756	-	-	-	5,535
New Mosher ¹)	-	-	-	-	-	-
Wabash	36,740	-	-	-	-	36,740
Baie Johann Beetz	23,359	-	-	-	-	23,359
	2,505,247	13,304	-	-	-	2,518,551

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

8. EXPLORATION AND EVALUATION ASSETS (CONT'D)

Mining properties acquisition costs	As at Jan. 1, 2021	Additions	Impairment	Disposal	Payment on options	As at Dec 31, 2021
	\$	\$	\$	\$	\$	\$
Mitchi	921,463	8,108	-	-	-	929,571
Anik ¹	1,480,654	-	-	-	(75,000)	1,405,654
Rivière à l'aigle	105,144	-	-	-	-	105,144
Gaspard nord ²⁾	1,786	22	-	(1,808)	-	-
Cousineau	4,757	22	-	-	-	4,779
New Mosher ¹⁾	-	-	-	-	-	-
Wabash	28,834	7,906	-	-	-	36,740
Baie Johann Beetz	27,352	-	(3,993)	-	-	23,359
	2,569,990	16,058	(3,993)	(1,808)	(75,000)	2,505,247

¹⁾ Option agreements are in effect on these properties.

²⁾ This property was sold on September 14, 2021.

9. PROPERTY AND EQUIPMENT

	Net book value January 1, 2022	Additions	Disposal	Depreciation	Net book value March 31, 2022
	\$	\$	\$	\$	\$
Rolling stock	272,837	-	-	(19,321)	253,516
Right-of-use assets	634,443	-	-	(16,844)	617,599
Outfitter trails	67,723	-	-	(963)	66,760
Electric line	276,019	7,380	-	(3,779)	279,620
Spawning grounds	67,723	-	-	(963)	66,760
Equipment	468,206	6,500	-	(14,571)	460,135
Buildings	2,572,544	-	-	(35,324)	2,537,220
	4,359,495	13,880	-	(91,765)	4,281,610

	Net book value January 1, 2021	Additions	Disposal	Depreciation	Net book value December 31, 2021
	\$	\$	\$	\$	\$
Rolling stock	296,443	52,813	-	(76,419)	272,837
Right-of-use assets	-	673,753	-	(39,310)	634,443
Outfitter trails	71,575	-	-	(3,852)	67,723
Electric line	143,151	143,298	-	(10,430)	276,019
Spawning grounds	71,575	-	-	(3,852)	67,723
Equipment	385,340	132,501	-	(49,635)	468,206
Buildings	1,820,362	868,097	-	(115,915)	2,572,544
	2,788,446	1,870,462	-	(299,413)	4,359,495

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

9. PROPERTY AND EQUIPMENT (CONT'D)

	As at March 31, 2022		As at December 31, 2021	
	Cost	Accumulated Depreciation	Net book value	Net book value
	\$	\$	\$	\$
Rolling stock	415,930	(140,814)	253,516	272,837
Right-of-use assets	681,653	(56,154)	617,599	634,443
Outfitter trails	77,032	(10,272)	66,760	67,723
Electric line	304,741	(25,121)	279,620	276,019
Spawning grounds	77,032	(10,272)	66,760	67,723
Equipment	585,009	(124,874)	460,135	468,206
Buildings	2,825,948	(288,728)	2,537,220	2,572,544
	4,967,345	(685,735)	4,281,610	4,359,495

10. TRADE AND OTHER PAYABLES

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Trade payables and accrued liabilities	440,907	397,890
Accrued salaries	45,705	67,731
Accrued vacations	35,817	63,881
Government remittances	12,810	53,851
Trade and other payables	535,239	583,353

11. OBLIGATIONS UNDER FINANCE LEASE

	Three Months ended March 31,	
	2022	2021
	\$	\$
Balance, beginning	145,822	-
New contract signed during period	-	430,953
Reimbursement of lease obligation	(109,160)	(285,131)
Balance	36,662	145,822
Current portion	(36,662)	(145,822)
Non-current portion	-	-

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

12. LIABILITY RELATED TO THE PREMIUM ON FLOW THROUGH SHARES

	Three Months ended March 31,	
	2022	2021
	\$	\$
Balance, beginning	136,469	212,745
Addition, net of issue costs	-	226,210
Reduction related to qualifying exploration expenditures	(38,969)	(302,486)
Liability related to the premium on flow through shares	97,500	136,469

13. LONG-TERM DEBT

	As at March 31, 2022	As at December 31, 2021
	\$	\$
Term loan secured by a first mortgage on the present and future movable properties of the Corporation, on the current immovable properties and on the universality of the receivables as well as by a joint guarantee of the Corporation and its subsidiary. The loan bears interest at prime plus 1.75% (4.00% as of March 31, 2022). Interest and principal of \$4,273 are payable monthly, maturing in August 2034.	413,889	422,222
Term loan secured by a first mortgage on the present and future movable properties of the Corporation, on the current immovable properties and on the universality of the receivables as well as by a joint guarantee of the Corporation and its subsidiary. The loan bears interest at 6.3%. Interest is payable monthly, and the payment of principal begins in August 2020 until July 2035. The loan is payable through 180 installments of \$4,081.	466,401	471,247
Term loan secured by a first mortgage on certain equipment at a rate of 7.49% and payable in installments of \$1,079, maturing in November 2024.	31,214	33,843
Term loans engaged to finance rolling stock. These loans hold rates from 3.75% to 4.99%, are payable in monthly installments totaling \$1,943 and mature between June 2023 to September 2025.	62,498	67,687
Canadian Emergency Business Account (CEBA) received in the context of the outbreak of the COVID-19 pandemic. The loans bear no interest and the principal is payable in full by December 31, 2023.	72,056	70,989
Current portion	(86,212)	(80,648)
Long-term debt - non-current portion	959,846	985,340

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

14. EQUITY

The Corporation is authorized to issue an unlimited number of class A, B, C common shares and class A, B, C and D special shares. Only class A common shares ("Shares") are issued with the following restrictions and privileges: voting, participating with dividend as declared by the Board of Directors.

15. WARRANTS

Changes in the Corporation's warrants are as follows:

	Three months ended		2021	
	March 31, 2022			
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Balance, beginning	5,819,399	\$ 0.19	3,556,250	\$ 0.15
Issued	-	-	3,113,149	0.23
Exercised	-	-	(850,000)	0.15
Balance, end	5,819,399	0.19	5,819,399	0.19

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

Number of warrants	Exercise price	Expiry date
	\$	
2,706,250	0.15	December 11, 2022
3,113,149	0.23	November 10, 2023
5,819,399		

16. BROKER WARRANTS

Changes in the Corporation's broker warrants are as follows:

	Three months ended		2021	
	March 31, 2022			
	Number of broker warrants	Weighted average exercise price	Number of broker warrants	Weighted average exercise price
Balance, beginning	1,058,933	\$ 0.20	455,448	\$ 0.15
Issued	-	-	603,485	0.23
Balance, end	1,058,933	0.20	1,058,933	0.20

Broker warrants outstanding as at March 31, 2022 are as follows:

Number of broker options	Exercise price	Expiry date
	\$	
455,448	0.15	December 11, 2022
603,485	0.23	November 10, 2023
1,058,933		

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

17. STOCK OPTIONS

Changes in stock options are as follows:

	Three months ended March 31, 2022		2021	
	Number of options	Weighted Average Exercise Price	Number of options	Weighted Average Exercise Price
		\$		\$
Balance, beginning	8,972,500	0.28	8,972,500	0.28
Granted	-	-	1,590,000	0.17
Exercised	(500,000)	0.14	(200,000)	0.14
Forfeited	(68,750)	0.16	(38,750)	0.11
Expired	(398,750)	0.14	(26,250)	0.14
Balance, end	9,330,000	0.28	10,297,500	0.27
Balance, end exercisable	7,926,250	0.31	8,768,750	0.29

Stock options outstanding as at March 31, 2022 are as follows:

Number of options outstanding	Number of options exercisable	Exercise price	Expiry date
		\$	
150,000	150,000	0.14	December 29, 2022
200,000	150,000	0.16	May 27, 2023
25,000	18,750	0.17	June 10, 2023
4,775,000	4,775,000	0.40	June 27, 2023
400,000	400,000	0.35	September 17, 2023
100,000	100,000	0.17	December 10, 2023
920,000	920,000	0.17	June 20, 2024
1,357,500	1,027,500	0.10	June 29, 2025
100,000	50,000	0.09	December 15, 2025
1,302,500	335,000	0.17	June 10, 2026
9,330,000	7,926,250		

18. EXPLORATION AND EVALUATION EXPENSES

	Three months ended March 31,	
	2022	2021
	\$	\$
Salaries and benefits	126,076	42,372
Geology and prospecting	-	2,008
Drilling	1,440	-
Analysis	82,077	14,158
Geophysics	-	14,917
Geochemistry	30	1,700
Lodging and travel	(16,803)	1,444
Supplies	54,989	9,039
Taxes, permits and insurance	302	4,460
Exploration and evaluation expenses before tax credits	248,111	90,098
Tax credits	(1,591)	(372)
Exploration and evaluation expenses	246,520	89,726

Kintavar Exploration Inc.

Notes to Financial Statements

(Unaudited, in Canadian Dollars)

19. ADDITIONAL INFORMATION RELATING TO THE STATEMENT OF CASH FLOWS

Changes in non-cash working capital items

	Three months ending March 31	
	2022	2021
	\$	\$
Receivables	(548,372)	95,041
Inventory	3,370	(6,129)
Prepaid expenses and others	(20,746)	(151,370)
Trade and other payables	(48,114)	92,746
Deferred revenues	(74,281)	117,039
	(688,143)	147,327