Financial Statements of

WALLBRIDGE MINING COMPANY LIMITED

Years ended December 31, 2022 and 2021
(Expressed in Canadian Dollars)

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INDEPENDENT AUDITOR'S REPORT

Opinion

We have audited the financial statements of Wallbridge Mining Company Limited (the "Entity"), which comprise:

- the statements of financial position as at December 31, 2022 and December 31, 2021
- the statements of net loss and comprehensive loss for the years then ended
- the statements of changes in equity for the years then ended
- the statements of cash flows for the years then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022 and December 31, 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matter described below to be the key audit matter to be communicated in our auditor's report.

Evaluation of indicators of impairment for exploration and evaluation assets

Description of the matter

We draw attention to Note 2(e), 2(m) and 9 of the financial statements. The Entity has exploration and evaluation assets of $258,767,041. The Entity assesses whether there is any indication of impairment. Indicators of impairment include, but are not limited to:

- The right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed
- Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned
- Exploration for and evaluation of mineral resources in the specific area have not led to the commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area
- Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full of successful development or by sale.

In circumstances where indicators of impairment exist, an impairment test is required to determine if the carrying amount of the exploration and evaluation asset exceeds its estimated recoverable amount.

Why the matter is a key audit matter

We identified the evaluation of indicators of impairment for exploration and evaluation assets as a key audit matter. This matter represented an area of significant risk of material misstatement given the magnitude of exploration and evaluation assets. Significant auditor attention is required to evaluate the results of our audit procedures and assess the Entity's determination of whether the factors, individually and in the aggregate, resulted in indicators of impairment.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

We evaluated the Entity's analysis of factors within their impairment indicators memorandum by considering whether quantitative and qualitative information in the analysis was consistent with other evidence in other areas of the audit. This included:

- Information included in Entity's press releases and management's discussion and analysis
- Other evidence obtained in other areas of the audit, including estimates of mineral resources and internal communications to management and the Board of Directors

We assessed the status of the Entity's rights to explore by discussing with management if any rights were not expected to be renewed and inspected government registries.

We considered the activities to date in each area to which the Entity has a right to explore by comparing the actual expenditures to the budgeted expenditures.

We compared the actual expenditures in 2022 of the Entity to the budgeted expenditures for 2022 to assess the Entity's ability to accurately budget.

We assessed if substantive expenditures on further exploration for and evaluation of mineral resources in each area of interest are planned or discontinued by inspecting budgeted expenditures.

Evaluation of the fair value of consideration received for the sale of Nickel Assets

Description of the matter

We draw attention to Notes 1, 2(m) and 8(b) of the financial statements. On November 18, 2022, the Entity sold interests in several copper, nickel and platinum group metal properties and a 20.4% interest in Lonmin Canada Inc. ("Loncan") (collectively "the Nickel Assets") along with related equipment and liabilities to Archer Exploration Corp. ("Archer") in exchange for 66,211,929 common shares of Archer. The Entity recognized a loss of $27,597,958 based on the difference between the fair value of consideration received and the net carrying value sold. The Entity has determined the fair value of the consideration received for the sale of the Nickel Assets using the Black Scholes Model. Key inputs used in the Black Scholes Model include the Archer non-flow-through unit price, unrestricted common share price, exercise price, risk-free rate, hold periods pursuant to the agreement and expected volatility.

Why the matter is a key audit matter

We identified the evaluation of the fair value of consideration received for the sale of Nickel Assets as a key audit matter. This matter represented an area of higher assessed risk of material misstatement given the magnitude of the transaction which required the fair value estimate. In addition, significant auditor judgment and specialized skills and knowledge were required in evaluating the results of, our audit procedures.

How the matter was addressed in the audit

The primary procedures we performed to address this key audit matter included the following:

We obtained and inspected the terms and conditions of the Archer agreement to determine the hold periods of the common shares of Archer.

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We evaluated the competence, capabilities and objectivity of the external independent personnel who prepared the estimates of the fair values of the common shares of Archer, including the industry and regulatory standards they applied.

We involved valuation professionals with specialized skills and knowledge, who assisted in:

- Evaluating the appropriateness of the valuation methodology and the use of the key inputs in the methodology
- Independently developing the fair value of the common shares of Archer using industry-accepted valuation models and publicly available market data for comparable entities.

Other Information

Management is responsible for the other information. Other information comprises the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information included in Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions as at the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditor's report.

We have nothing to report in this regard

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

- Provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships

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and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

- Determine, from the matters communicated with those charged with governance, those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

The engagement partner on the audit resulting in this auditor's report is David Denis Kerrigan Brownridge.
Toronto, Canada
March 20, 2023

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WALLBRIDGE MINING COMPANY LIMITED

Statements of Financial Position
(expressed in Canadian Dollars)

December 31, 2022 and December 31, 2021

	Note		2022	2021
Assets				
Current assets:				
Cash and cash equivalents		$	23,663,821	38,939,849
Marketable securities	*6*		52,500	115,317
Amounts receivable	*7*		15,547,216	32,630,021
Deposits and prepaid expenses			447,046	433,140
Broken Hammer closure plan indemnification asset	*8, 12, 14*		2,466,991	-
			42,177,574	72,118,327
Restricted cash	*14*		3,259,845	3,259,845
Amounts receivable	*7*		2,620,989	-
Investment in associates	*8, 12*		5,011,996	1,223,036
Exploration and evaluation assets	*9*		258,767,041	264,310,279
Property and equipment	*10*		8,281,900	9,179,141
		$	320,119,345	350,090,628
Liabilities and Shareholders' Equity				
Current liabilities:				
Accounts payable and accrued liabilities	*11*	$	5,278,791	13,325,403
Current portion of provision for closure plan	*14*		275,479	575,843
Current portion of lease liability			11,682	97,152
Broken Hammer closure plan for disposal	*8, 12, 14*		2,466,991	-
			8,032,943	13,998,398
Lease liability			28,854	1,415
Provision for closure plan	*14*		1,289,860	2,618,276
Deferred tax liability	*15*		21,535,000	13,358,000
			30,886,657	29,976,089
Equity:				
Share capital	*16*		390,689,896	391,532,268
Warrants			129,500	129,500
Contributed surplus			12,317,067	10,782,257
Deficit			(113,832,757)	(82,258,468)
Accumulated Other Comprehensive Income			(71,018)	(71,018)
Total Equity			289,232,688	320,114,539
Commitments and contingencies	*17*			
Subsequent events	*7, 9(g), 12(a), 16(b), 18*			
		$	320,119,345	350,090,628

See accompanying notes to the financial statements.

Approved by the Board:

"Marz Kord"
________________________________ Director

"Anthony Makuch"
________________________________ Director

WALLBRIDGE MINING COMPANY LIMITED

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

Years ended December 31, 2022 and December 31, 2021

	Note		2022	2021
Other expenses and (income):				
General and administrative expenses		$	5,146,807	4,072,550
Depreciation of property and equipment	*10*		129,196	173,640
Interest income			(849,458)	(423,080)
Gain on disposition of assets			(8,554)	-
Loss (gain) on sale of marketable securities			1,366	628,091
Unrealized loss on marketable securities			108,750	71,608
Gain on sale of investment in associate	*8(a)*		(1,743,177)	-
Other income			(167,338)	-
Other income relating to flow-through share premium	*13*		(8,621,698)	(7,181,556)
Share of comprehensive loss in investment in associate			301,855	5,683
Impairment (reversal) of exploration and evaluation assets	*9(j)*		(670,156)	719,276
Provision for closure plan	*14*		1,020,849	-
Loss on sale of Nickel Assets	*8*		27,597,958	-
Costs (recovered) incurred on termination of contract			(275,667)	854,376
Interest on lease liability			2,238	8,026
Stock based compensation	*16*		928,318	772,902
Loss (earnings) before income taxes			22,901,289	(298,484)
Deferred tax expense	*15*		8,673,000	8,192,000
Net loss and comprehensive loss for the year		$	31,574,289	7,893,516
Weighted average number of common shares - basic and diluted			872,903,911	808,137,175
Net loss per share - basic and diluted		$	0.04	0.01

See accompanying notes to the financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Statements of Changes in Equity
(expressed in Canadian Dollars)

December 31, 2022 and December 31, 2021

	Number of Shares		Share Capital	Warrants	Contributed Surplus	Deficit	Accumulated Other Comprehensive Loss		Total
Balance, December 31, 2020	**788,635,216**	**$**	**373,479,125**	**2,764,441**	**11,636,743**	**(74,364,952)**	**(71,018)**	**$**	**313,444,339**
Flow-through shares issued on public offering, net of share issuance costs	21,063,400		18,830,713	-	-	-	-		18,830,713
Flow-through share premium on public offering	-		(7,161,556)	-	-	-	-		(7,161,556)
Exercise of warrants	3,585,938		4,148,156	(2,632,971)	-	-	-		1,515,185
Exercise of stock options	475,000		83,860	-	(31,486)	-	-		52,374
Deferred share units vested and shares issued	4,249,837		2,083,810	-	(2,083,810)	-	-		-
Expired warrants	-		-	(1,970)	1,970	-	-		-
Share based compensation	-		-	-	946,796	-	-		946,796
Deferred share units granted	-		-	-	312,044	-	-		312,044
Shares issued under exploration option agreement	106,500		68,160	-	-	-	-		68,160
Net loss	-		-	-	-	(7,893,516)	-		(7,893,516)
Balance, December 31, 2021	**818,115,891**	**$**	**391,532,268**	**129,500**	**10,782,257**	**(82,258,468)**	**(71,018)**	**$**	**320,114,539**
Flow-through shares issued on public offering, net of share issuance costs	27,300,000		14,073,402	-	-	-	-		14,073,402
Flow-through shares issued on public offering, net of share issuance costs	36,968,351		13,733,907	-	-	-	-		13,733,907
Flow-through share premium on public offering	-		(8,621,698)	-	-	-	-		(8,621,698)
Exercise of stock options	130,000		20,017	-	(9,967)	-	-		10,050
Share based compensation	-		-	-	1,201,903	-	-		1,201,903
Deferred share units granted	-		-	-	342,874	-	-		342,874
Distribution of Archer shares to Wallbridge shareholders (note 16 (a)(ix))	-		(20,048,000)	-	-	-	-		(20,048,000)
Net loss	-		-	-	-	(31,574,289)	-		(31,574,289)
Balance, December 31, 2022	**882,514,242**	**$**	**390,689,896**	**129,500**	**12,317,067**	**(113,832,757)**	**(71,018)**	**$**	**289,232,688**

See accompanying notes to the financial statements.

WALLBRIDGE MINING COMPANY LIMITED

Statements of Cash Flows
(expressed in Canadian Dollars)

Years ended December 31, 2022 and December 31, 2021

		2022	2021
Cash flows from (used in) operating activities:			
Net loss for the year	$	(31,574,289)	(7,893,516)
Adjustments for:			
Deferred tax expense		8,673,000	8,192,000
Depreciation of property and equipment		129,196	173,640
Loss on sale of Nickel Assets		27,597,958	-
Gain on sale of investment in associate		(1,743,177)	-
Impairment (reversal) of exploration and evaluation assets		(670,156)	719,276
Share of comprehensive loss in investment in associate		301,855	5,683
Unrealized loss (gain) on marketable securities		108,750	71,608
Loss (gain) on sale of marketable securities		1,366	628,091
Gain on disposal of assets		(8,554)	-
Other income relating to flow-through share premium		(8,621,698)	(7,181,556)
Share based compensation		928,318	772,902
Deferred stock units		257,156	251,419
Interest on lease liability		2,238	8,026
Provision for closure plan costs		1,020,849	-
Closure plan disbursements		(582,638)	(549,870)
Changes in non-cash working capital:			
Amounts receivable		643,311	701,773
Deposits and prepaid expenses		(13,906)	(250,930)
Accounts payable and accrued liabilities		(850,892)	1,801,085
		(4,401,313)	(2,550,369)
Cash flows from (used in) financing activities:			
Issuance of share capital		29,187,570	20,010,230
Share issuance costs		(1,876,261)	(1,605,517)
Exercise of stock options		10,050	52,374
Exercise of warrants		-	1,515,185
Lease payments		(94,801)	(136,898)
		27,226,558	19,835,374
Cash flows from (used in) investing activities:			
Exploration and evaluation assets expenditures		(63,234,039)	(66,707,840)
Tax credits received		26,274,024	9,757,202
Restricted cash		-	(1,818,740)
Proceeds from sale of investment in associate		2,652,997	-
Transfer of cash proceeds on sale of investment in associate to Archer		(2,652,997)	-
Proceeds on sale of marketable securities		31,451	215,127
Exploration and evaluation assets option payments and cost recoveries		44,912	190,434
Acquisition of equipment, net of proceeds		(1,217,621)	(5,031,064)
		(38,101,273)	(63,394,881)
Net increase in cash and cash equivalents		(15,276,028)	(46,109,876)
Cash and cash equivalents, beginning of year		38,939,849	85,049,725
Cash and cash equivalents, end of year	$	23,663,821	38,939,849
Summary of non-cash transactions:			
Exploration asset disposals - sale to Archer	$	52,054,545	-
Exploration expenditures - change in accounts payable and accrued liabilities		6,998,752	3,311,983
Exploration recoveries included in amounts receivable		12,768,383	20,826,537
Exploration expenditures - capitalized depreciation of equipment		1,824,323	1,488,621
Exploration asset acquisition - warrants and shares issued		-	68,160
Property and equipment purchased under lease agreements		41,211	-
Property and equipment disposals - sale to Archer		93,177	-
Property and equipment purchases - change in accounts payable and accrued liabilities		111,250	1,456,090
Stock based compensation capitalized to exploration and evaluation assets		273,585	173,894
Settlement of accounts receivable - shares received		312,865	-
Exploration and evaluation assets - shares received		78,750	187,500
Proceeds on sale of assets - shares received		25,348,000	-
Distribution of Archer shares to Wallbridge shareholders		20,048,000	-
Recognition of indemnification asset		2,466,991	-
Settlement of accounts payable with deferred stock units		85,719	60,625

See accompanying notes to the financial statements.

1. Nature of operations:

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

The Company's primary focus is advancement of the exploration and sustainable development of gold projects along the Detour-Fenelon Gold Trend located in Québec's Northern Abitibi region. Wallbridge had interests in several copper, nickel and platinum group metal properties, and a 20.4% interest in Lonmin Canada Inc. (**"Loncan"**), (collectively **"the Nickel Assets"**). On November 7, 2022, Magna Mining Inc. (**"Magna"**) purchased 100% of Loncan, including the Company's 20.4% interest (note 8(a)). On November 18, 2022, the Company sold the Nickel Assets to Archer Exploration Corp. (**"Archer"**) (the **"Sale Agreement"**) (note 8) in exchange for common shares of Archer and distributed a pro rata portion of the common shares of Archer to Wallbridge shareholders of record (note 16(a)(ix)).

While the Company has no source of revenue, management believes it has sufficient cash resources to meet its obligations and fund planned expenditures and administrative costs for at least the next twelve months. The Company will have to raise funds in the future to finance the advancement of exploration and development of Fenelon and meet future expenditures and administrative costs. Although the Company has been successful in raising funds to date, as evidenced by proceeds raised from equity financing in 2021, 2022 and 2023 (notes 16 and 18), there can be no assurance that adequate financing will be available in the future or available under terms acceptable to the Company.

2. Significant accounting policies:

(a) *Basis of presentation:*

These financial statements have been prepared in accordance with International Financial Reporting Standards (**"IFRS"**) as issued by the International Accounting Standards Board (**"IASB"**). These financial statements were prepared on a going concern basis.

These financial statements have been prepared on an historical cost basis except for certain financial assets and liabilities which are measured at fair value. The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

These financial statements are presented in Canadian dollars, which is the Company's functional currency. On January 22, 2021, 2225080 Ontario Inc., a wholly owned subsidiary of the Company, was dissolved under the Business Corporations Act of Ontario.

On March 20, 2023, the Company's Board of Directors approved the financial statements as at and for the years ended December 31, 2022 and 2021 and authorized them for issue.

2. Significant accounting policies (continued):

(b) Associates:

Associates are those entities in which the Company has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity.

Associates are accounted for using the equity method and are recognized initially at cost. The Company's investment includes goodwill and other purchase price adjustments identified on acquisition based on the fair value of the assets acquired, and the investment is net of any accumulated impairment losses. The financial statements include the Company's share of the income and expenses and equity movements of the associate, after adjustments to align the accounting policies with those of the Company and other adjustments arising from the elimination of intercompany transactions, from the date that significant influence commences until the date that significant influence ceases. When the Company's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Company has an obligation or has made payments on behalf of the investee. Judgment is involved in the determination of the carrying amount of the investment in associates while the Company has significant influence and whether impairment has occurred.

2. Significant accounting policies (continued):

(c) Financial instruments:

(i) Classification:

The Company classifies its financial instruments in the following categories: fair value through profit and loss (**"FVTPL"**), fair value through other comprehensive income (loss) (**"FVTOCI"**), or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. The Company's investments in marketable securities that are held for trading are classified as FVTPL. For other equity instruments, the Company can make an irrevocable election to designate the asset as FVTOCI at initial recognition. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (a derivative or financial liability that is held for trading) or the Company has opted to measure them at FVTPL. The following table shows the classification:

Financial assets/liabilities	Classification
Cash and cash equivalents	FVTPL
Restricted cash	FVTPL
Amounts receivable	Amortized cost
Marketable securities	FVTPL
Long-term investment	FVTOCI
Accounts payable	Amortized cost

(ii) Measurement:

Financial assets and liabilities at amortized cost - Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, and subsequently carried at amortized cost, less any impairment.

Financial assets and liabilities at FVTPL - Financial assets and liabilities at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of net loss and comprehensive loss. Realized and unrealized gains and losses arising from the change in fair value are included in the statement of net loss and comprehensive loss in the period in which they arise.

Financial assets at FVTOCI – Equity instruments that have been irrevocably elected at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from the changes in fair value recognized in other comprehensive loss.

2. Significant accounting policies (continued):

(iii) Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime of the expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

(d) *Exploration and evaluation assets*:

These assets relate to mineral rights acquired and exploration and evaluation expenditures capitalized in respect of projects that are in the exploration or pre-development stage.

Exploration and evaluation expenditures include costs which are directly attributable to acquisition, surveying, geological, geochemical, geophysical, exploratory drilling, underground exploration development, land maintenance, sampling, and assessing technical feasibility and commercial viability. Interest cost on borrowing for the acquisition of exploration and evaluation assets are capitalized. These expenditures are capitalized until the technical feasibility and commercial viability of the extraction of mineral reserves in a project is demonstrated.

The Company assesses whether there is any indication of impairment. Indicators of impairment include, but are not limited to:

(i) The right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;

(ii) Substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;

(iii) Exploration for and evaluation of mineral resources in the specific area have not led to the commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and

(iv) Sufficient data exists to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

In circumstances where indicators of impairment exist, an impairment test is required to determine if the carrying amount of the exploration and evaluation asset exceeds its estimated recoverable amount. The estimated recoverable amount is the greater of fair value less costs of disposal (**"FVLCD"**), and value in use (**"VIU"**). If the exploration and evaluation asset is determined to be impaired, the exploration and evaluation asset is written down to the estimated recoverable amount.

2. Significant accounting policies (continued):

(e) Property and equipment:

Property and equipment are carried at cost, less accumulated depreciation. Depreciation is provided using the following methods and annual rates:

Asset	Basis	Rate
Buildings and bridges	Declining-balance	5% - 10%
Vehicles and equipment	Declining-balance	20% - 30%
Leasehold	Declining-balance	20%

Management reviews the estimated lives, residual values and depreciation methods of the Company's property and equipment at the end of each financial year and when events and circumstances indicate that such a review should be made. Changes to estimated useful lives, residual values or depreciation methods resulting from such review are accounted for prospectively.

Unless the Company is reasonably certain to obtain ownership of a leased asset at the end of the lease term, the right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term.

Once a mining project has been established as commercially viable, technically feasible, and a development decision has been made, costs are no longer capitalized to exploration and evaluation assets, an impairment test is completed on the asset, and the unimpaired costs are transferred from exploration and evaluation assets to property and equipment. Costs associated with development of the project are capitalized to property and equipment. Sales proceeds and related costs from selling items produced while preparing an asset for its intended use are recognized in profit or loss.

At each reporting date, the Company reviews the carrying amounts of its property and equipment to determine whether there is any indication of impairment. If any such impairment exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (**"CGU"**). The recoverable amount of an asset or CGU is the greater of its VIU and its FVLCD. An impairment is recognized, if the carrying amount of an asset or CGU exceeds its recoverable amount, in the statement of loss and comprehensive loss.

2. Significant accounting policies (continued):

(f) Cash and cash equivalents and restricted cash:

Cash and cash equivalents consist of cash on hand and deposits in banks which may be settled on demand or have a maturity no longer than a 90 day period from the date of purchase.

Restricted cash, classified as long-term, consists of cash balances assigned to support one-year letters of credit in support of various agreements.

(g) Share based payments:

The fair value of the stock options, restricted share units, and deferred share units granted to employees, officers and directors is recognized as an expense over the graded vesting period with a corresponding increase to contributed surplus. The fair values for stock options are determined at the grant date by applying the Black-Scholes option pricing model. Measurement inputs include share price on measurement date, exercise price, expected volatility, weighted average expected life, expected dividends, expected forfeiture rate and the risk free interest rate. Under graded vesting the fair value of each tranche is recognized over its respective vesting period.

Restricted share units and deferred share units are measured at the fair value of the shares at the grant date and are equity settled. Other share based payments are measured at the fair value of goods or services received. In situations where equity instruments are issued and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at fair value of the share based payment.

(h) Provision for restoration, rehabilitation and environmental obligations:

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs arising from the decommissioning of plant and other site preparation work, discounted to their net present value, are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises.

Discount rates to reflect the time value of money are specific to the liability. These costs are charged against profit or loss over the economic life of the related asset, through amortization using a unit-of-production methodology. The related liability is adjusted each period for the unwinding of the discount rate and for changes to the current market-based discount rate and amount or timing of the underlying cash flows needed to settle the obligation. The unwinding of the discount is recognized as a finance cost.

2. Significant accounting policies (continued):

(i) *Income taxes:*

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income or loss (**"OCI"**).

Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. Deferred tax is measured at the tax rates expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

A deferred tax asset is recognized for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

(j) *Earnings (loss) per share:*

Basic earnings (loss) per share are computed by dividing earnings (loss) by the weighted average number of shares outstanding during the year. The Company uses the treasury stock method for calculating diluted earnings per share. Diluted earnings per share are computed similar to basic earnings per share except that the weighted average shares outstanding are increased to include additional shares from the assumed exercise of stock options and warrants.

2. Significant accounting policies (continued):

(k) Flow-through common shares:

The Company finances a portion of its exploration activities through the issue of flow-through shares. Canadian tax legislation permits a company to issue flow-through instruments whereby the deduction for tax purposes relating to qualified resource expenditures is claimed by the investors rather than the Company. Common shares issued on a flow-through basis typically include a premium because of the tax benefits provided to the investor. At the time of issue, the Company estimates the proportion of the proceeds attributable to the premium and the common shares. The premium is estimated as the excess of the subscription price over the trading price of the shares and is recorded as a deferred liability. The Company recognizes a pro rata amount of the premium through the statement of loss and comprehensive loss as other income relating to flow-through share premium with a corresponding reduction to the deferred liability as the flow-through expenditures are incurred.

(l) Leases:

The Company assesses whether a contract is, or contains, a lease at the inception of a contract. A contract contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company assesses whether:

- the contract involves the use of an explicitly or implicitly identified asset;
- the Company has the right to obtain substantially all of the economic benefits from the use of the asset throughout the contract term;
- the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a lease liability at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the initial amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. Right-of-use assets are subject to impairment.

2. Significant accounting policies (continued):

(l) Leases (continued):

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease payments include fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees and the exercise price of a purchase option reasonably certain to be exercised by the Company.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment to purchase the underlying asset.

The Company has elected not to recognize right-of-use assets and lease liabilities for leases that have a lease term of 12 months or less and do not contain a purchase option or for leases related to low value assets. Lease payments on short-term leases and leases of low value assets are recognized as an expense in the statement of loss or are capitalized to Exploration and Evaluation properties.

(m) Significant accounting judgments and estimates:

The preparation of financial statements in accordance with IFRS requires management to make judgments, 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. Estimates and assumptions are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results could differ from these estimates.

2. Significant accounting policies (continued):

(m) Significant accounting judgments and estimates (continued):

Significant Judgments in Applying Accounting Policies*:*

The areas which require management to make significant judgments in applying the Company's accounting policies in determining carrying values include, but are not limited to:

Impairment of exploration and evaluation properties:

The Company is required to make certain judgments in assessing indicators of impairment of exploration and evaluation properties. Judgment is required to determine if the right to explore will expire in the near future or is not expected to be renewed. Judgment is required to determine whether substantive expenditures on further exploration for and evaluation of mineral resources in specific areas will not be planned or budgeted. Judgment is required to determine if the exploration for and evaluation of mineral resources in specific areas have not led to the commercially viable quantities of mineral resources and the Company will discontinue such activities. Judgment is required to determine whether there are indications that the carrying amount of an exploration and evaluation property is unlikely to be recovered in full from successful development of the project or by sale.

2. Significant accounting policies (continued):

(m) Significant accounting judgments and estimates (continued):

Significant Accounting Estimates and Assumptions*:*

The areas which require management to make significant estimates and assumptions in determining carrying values include, but are not limited to:

Fair value of consideration received in the Sale Agreement:

Management determined the fair value of the consideration received for the sale of Nickel Assets using the Black Scholes Model. Key inputs used in the Black Scholes Model include the Archer non-flow-through unit price, unrestricted common share price, exercise price, risk-free rate, hold periods pursuant to the agreement and regulatory requirements, and expected volatility. Changes in these key inputs affect the fair value estimates.

Impairment of exploration and evaluation properties:

Management's assumptions and estimates of future cash flows used in the Company's impairment assessment of exploration and evaluation properties are subject to risk and uncertainties, particularly in market conditions where higher volatility exists, and may be partially or totally outside of the Company's control. If an indication of impairment exists, or if an exploration and evaluation asset is determined to be technically feasible and commercially viable, an estimate of a CGU's recoverable amount is calculated. The recoverable amount is based on the higher of FVLCD and VIU using a discounted cash flow methodology taking into account assumptions that would be made by market participants, unless there is a market price available based on a recent purchase or sale of a mine. Cash flows are for periods up to the date that mining is expected to cease which depends on a number of variables including recoverable mineral reserves and resources, expansion plans and the forecasted selling prices for such production.

2. Significant accounting policies (continued):

(m) Significant accounting judgments and estimates (continued):

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.

Share-based compensation and warrants:

Management determines fair value for share-based payments 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 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. Similar calculations are made in order to value warrants. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

2. Significant accounting policies (continued):

(m) Significant accounting judgments and estimates (continued):

Provisions:

From time to time the Company may be subject to legal claims, with and without merit. These claims may commence informally and reach a commercial settlement or may progress to a more formal dispute resolution process. The causes of potential future claims cannot be known and may arise from, among other things, business activities, environmental laws, volatility in stock price or failure to comply with disclosure obligations. Defense and settlement costs may be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the Company’s future cash flows, results of operations or financial condition.

Management determines when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and is probable that a future outflow of resources will be required to settle the obligation, provided that a reasonable estimate of the amount of the obligation can be made. Provisions for legal claims, closure plans, onerous contracts and commitments are recognized at the best estimates of the expenditures required to settle the Company’s liability. Provisions are measured at the present value of the expenditures required to settle the obligation. The increase in the provision due to the passage of time is recognized as interest expense.

Mineral Resources:

The Company has measured, indicated and inferred mineral resources based on information compiled by appropriately qualified persons.

Changes in measured, indicated and inferred mineral resources estimates may impact the carrying value of exploration and evaluation assets, property and equipment, environmental provisions, recognition of deferred tax amounts and depreciation, depletion and amortization.

3. Recent accounting pronouncements:

(a) *IAS 12, Income Taxes*

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

(b) IAS 1, Presentation of Financial Statements

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

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

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

(c) IAS 1, Disclosure of Accounting Policies

In February 2021, the IASB issued amendments to IAS 1 requiring an entity to disclose its material accounting policies, rather than its significant accounting policies. Additional amendments were made to explain how an entity can identify a material accounting policy. The amendments are effective for annual reporting periods beginning on or after January 1, 2023.

4. Capital management:

The Company considers its capital structure to be total equity of $289,232,688 at December 31, 2022 (2021 - $320,114,539).

The Company's objective when managing capital is to maintain adequate levels of funding to support its exploration activities and to maintain corporate and administrative functions necessary to support operational activities.

The Company invests all capital that is surplus to its immediate operational needs in short-term, liquid and highly-rated financial instruments, such as cash and other short-term guaranteed deposits, and all are held in various major Canadian chartered banks.

5. Financial risk factors:

A summary of the Company's risk exposures as it relates to financial instruments are reflected below:

(a) Credit risk:

Credit risk refers to cash and cash equivalents, amounts receivable, marketable securities and restricted cash arises from the possibility that any party to the contracts fail to meet its contractual obligations.

The Company monitors the credit worthiness of its customers and joint venture partners.

The Company's cash and cash equivalents are held in major Canadian chartered banks.

The Company's exposure to credit risk at December 31, 2022 was the carrying value of the cash and cash equivalents, amounts receivable, and restricted cash. Most of the amounts receivable are from the federal and Quebec government for sales tax and Quebec tax credits and have low credit risk.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. At December 31, 2022, the Company has cash and cash equivalents and amounts receivable of $39,211,037 to settle current accounts payable and accrued liabilities, current portion of the provision for closure plan, and current portion of lease liabilities of $5,565,952.

5. Financial risk factors (continued):

(c) Market risk:

Commodity price risk – Commodity price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of the changes in commodity prices.

At December 31, 2022, the Company does not have commodity price risk.

Foreign currency risk – Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

At December 31, 2022, the Company does not have any foreign currency risk.

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 had $23,663,821 in cash and cash equivalents at December 31, 2022. The Company invests cash in interest bearing accounts or guaranteed investment certificates held in major Canadian chartered banks. The Company periodically assesses the quality of its investments with the banks and is satisfied with the credit rating of the banks.

At December 31, 2022, the Company's cash is held primarily in interest bearing accounts or guaranteed investment certificates. A 25 basis point change in the interest rate at December 31, 2022 would affect the Company by an annualized amount of interest equal to approximately $59,160.

6. Fair value of financial instruments:

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

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

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

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

At December 31, 2022, the Company holds investments in Goldseek Resources Inc. (December 31, 2021 - Ready Set Gold Corp. and Goldseek Resources Inc.) which are classified as marketable securities and carried at FVTPL and classified as level 1 at $52,500 (December 31, 2021 - $115,317).

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

(expressed in Canadian Dollars)

7. Amounts receivable:

	2022	2021
Harmonized Sales Tax and Quebec Sales Tax	$ 452,243	$ 1,721,809
Quebec tax credits	17,050,997	30,566,507
Other receivables	664,965	341,705
	$ 18,168,205	$ 32,630,021
Less current portion of amounts receivable	15,547,216	32,630,021
Amounts receivable, long-term	$2,620,989	$ -

The Company is entitled to refundable tax credits and tax credits on qualified exploration expenditures incurred in Quebec. Of the $17,050,997 Quebec tax credits in 2022, $13,104,942 relates to 2022 qualified expenditures incurred in Quebec and $3,946,055 relates to 2021 qualified expenditures incurred in Quebec. Of the $30,566,507 Quebec tax credits in 2021, $20,113,000 related to 2021 qualified expenditures incurred in Quebec, $9,829,337 related to 2020 qualified expenditures incurred in Quebec, and $624,170 related to 2019 qualified expenditures incurred in Quebec.

On March 7, 2023, the Company received $3,315,541 of the outstanding 2021 Quebec tax credits receivable.

(expressed in Canadian Dollars)

8. Investment in associates:

Loncan (a)	Number of Shares	Amount
Balance, December 31, 2020	**4,096,680**	**$ 1,228,719**
Share of comprehensive loss (17.8%)	-	(5,683)
Balance, December 31, 2021	**4,096,680**	**$ 1,223,036**
Share of comprehensive loss (17.8%)	-	(13,851)
Shares received in settlement of accounts receivable	1,042,950	312,865
Sale of shares to Magna	(5,139,630)	(1,522,050)
Balance, December 31, 2022	**-**	**$ -**

Archer (b)	Number of Shares	Amount
Balance, December 31, 2021	**-**	**$ -**
Shares received pursuant to the Sale Agreement	66,211,929	25,348,000
Shares distributed to Wallbridge shareholders (note 16 (a)(ix))	(48,168,171)	(20,048,000)
Share of comprehensive loss (19.9%)	-	(288,004)
Balance, December 31, 2022	**18,043,758**	**$ 5,011,996**

(a) On November 7, 2022, Magna purchased the Company's 20.4% interest (17.8% prior to the closing of the sale) in Loncan. The Company recognized a gain of $1,743,177 as a result of the sale of Loncan to Magna which included a cash payment of $2,652,997 and a deferred payment of $612,230 to be received in either cash or Magna shares of equivalent fair value within 12 months of the closing of the sale transaction. The cash payment was transferred to Archer upon closing of the Archer transaction and the receivable of $612,230 will be transferred to Archer upon receipt by the Company. Loncan's joint venture arrangements with Wallbridge terminated concurrently with closing of the transaction on November 7, 2022.

Effective October 28, 2019, and directly prior to the closing of the sale on November 7, 2022, the Company had an operatorship agreement with Loncan and received a 10% fee on exploration expenditures incurred in Loncan (note 9(h)), one director (2021 – one director) of the Company and William Day were minority shareholders of Loncan, and the Company had representation on the board of directors of Loncan.

(b) On November 18, 2022, the Company sold its Nickel Assets along with related equipment and liabilities to Archer in exchange for 66,211,929 common shares of Archer and immediately distributed a portion of Archer common shares to Wallbridge shareholders as a return of capital (note 16(a)(ix)).

(expressed in Canadian Dollars)

8. Investment in associates (continued):

The remaining 18,043,758 common shares of Archer were retained within the Company as an investment in associate. The Company holds a 19.9% interest in Archer (2021 – nil%) as at December 31, 2022. The CEO and director of the Company and the CFO of the Company are directors of Archer pursuant to the terms of the investor rights agreement dated November 18, 2022, which provides, among other things, that for so long as Wallbridge holds at least 10% of the issued and outstanding shares of Archer, it will have a pro rata pre-emptive right, top-up rights, and a standard piggyback registration right subject to underwriter cutback.

The investment in Archer was initially recorded at fair value which was determined by measuring the expected market value of a common share of Archer of approximately $0.3828 based on bifurcating the non-flow-through units of Archer at a price of $0.66 in the private placement completed by Archer on November 18, 2022. Each non-flow-through unit in the private placement consisted of one common share of Archer and one common share purchase warrant with the warrant entitling its holder to acquire one additional common share of Archer at a price of $1.02 expiring in 24 months.

The non-flow-through units were bifurcated into the following components: an unrestricted Archer common share, an Archer purchase warrant, and a four month and one day hold period on the share. The distributed shares are subject to a four month and one day hold period, whereas the shares retained by the Company have hold periods ranging from one year to approximately three years pursuant to the terms of the Sale Agreement and regulatory requirements. The expected market value of a common share of Archer was calculated as a weighted average between the shares retained by the Company valued at approximately $0.2937 and the value of the shares distributed to Wallbridge shareholders of $0.4162 (note 16(a)(ix)).

The key inputs used in the Black Scholes pricing model are as follows:

	Bifurcated Purchase Warrant (Call Value of Warrant)	Hold Periods for Distributed Shares (Put Value)	Hold Periods for Retained Shares (Put Value)
Archer non-flow-through unit price	$0.660	$0.660	$0.660
Unrestricted common share price	$0.548	$0.548	$0.548
Risk free rate	4.41%	4.48%	4.08% to 4.78%
Exercise price	$1.02	$0.548	$0.548
Warrant Expiry / Hold Period	2.00 years	0.3342 years	1.00 to 3.0301 years
Expected volatility *	110%	110%	110%

* The expected volatility used was estimated based on market data.

(expressed in Canadian Dollars)

8. Investment in associates (continued):

The Nickel Assets were derecognized at carrying value, which was determined to be the lower of carrying value and FVLCD, as follows:

	Note	
Exploration and evaluation assets[1]	9	$ 52,054,545
Cash proceeds on sale of Loncan to Magna	12(a)(i)	2,652,997
Receivable from Magna on Loncan sale	12(a)(i)	612,230
Property and equipment	-	93,177
Total assets sold		**$ 55,412,949**
Closure plan liability – Broken Hammer Project	14	$ 2,466,991
Total liabilities sold		**$ 2,466,991**
Net carrying value sold		**$ 52,945,958**
Fair value of share consideration received		**$ 25,348,000**
Net loss on sale of Nickel Assets		**$ (27,597,958)**

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

Transaction costs relating to the sale of the Nickel Assets are included in general and administrative expenses on the statement of net loss and comprehensive loss for the year.

As part of the Sale Agreement, Archer has assumed the Broken Hammer closure plan liability and has indemnified the Company for this liability (note 14). The Company has not derecognized this liability as the transfer of the legal obligation of the closure plan requires approval by the Ministry of Mines which has not yet occurred. The Company has recorded an indemnification asset based on the terms of the Sale Agreement of $2,466,991. In determining the likelihood of collection, the Company has considered the liquidity and working capital of Archer.

In addition, Wallbridge was granted a royalty equal to 2% of net smelter returns (**"NSR"**) less the amount of any pre-existing royalties on encumbered portions of the Grasset property (note 9(c)). The NSR was not included in the proceeds of the transaction as the future economic benefit to the Company is uncertain.

(expressed in Canadian Dollars)

9. Exploration and evaluation assets:

Total exploration and evaluation expenditures are detailed as follows:

	Balance December 31, 2021	Expenditures	Impairment Reversal	Disposition/ Recovery	Sale of Assets to Archer [1]	Balance, December 31, 2022
Fenelon (a)	$152,617,394	49,361,604		(12,046,383)	-	189,932,615
Martinière (b)	30,431,707	7,199,769		(439,000)	-	37,192,476
Grasset (c)	28,624,217	965,878		(283,000)	(27,627,000)	1,680,095
Detour East (d)	14,083,479	1,068			-	14,084,547
Hwy 810 (e)	4,428,526	633			-	4,429,159
Other Quebec Properties (f)	17,544,206	931,044		-	(7,873,661)	10,601,589
Beschefer (g)	923,623	1,687		(78,750)	-	846,560
Sudbury Properties subject to Loncan exploration joint venture agreements (h)	12,342,259	185,517		(44,912)	(12,482,864)	-
Other Sudbury Properties (i)	3,314,868	13,362			(3,328,230)	-
Other Ontario Properties (j)	-	72,634	670,156		(742,790)	-
	$264,310,279	58,733,196	670,156	(12,892,045)	(52,054,545)	258,767,041

(1) On November 18, 2022, the Company sold its property, assets, rights and obligations related to its Nickel Assets (note 8). The exploration and evaluation assets included in the Nickel Assets are certain claims relating to Grasset, the Sudbury properties relating to the Loncan exploration joint venture agreements, Jeremie and RUM properties included in Other Quebec Properties, Other Sudbury Properties, and Other Ontario Properties.

(expressed in Canadian Dollars)

9. Exploration and evaluation assets (continued):

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

Included in 2022 expenditures are salaries and benefits of $7,540,050 (2021 - $7,324,174).

9. Exploration and evaluation assets (continued):

(a) Fenelon, Quebec:

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

Included in the 2022 expenditures of $49,361,604 are $47,263,696 of exploration costs, depreciation of capital assets of $1,824,323, and stock option expense of $273,585. Recovery of $12,046,383 is $12,382,982 from Quebec refundable tax credits relating to 2022 expenditures less $336,599 in tax adjustments resulting from tax audits for 2021 and prior periods.

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

As a result of a private placement on December 2, 2019, the Company has agreed to not sell or grant any additional royalty rights or interests with respect to Fenelon and/or any contiguous claims or properties adjacent to Fenelon so long as Agnico Eagle Mines Limited (**"Agnico"**) holds shares representing at least 7.5% of the issued and outstanding shares of the Company.

(b) Martinière, Quebec:

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

Included in the 2022 expenditures of $7,199,769 is a $400,000 increase to the closure plan relating to a change in the estimate in the period. Recovery of $439,000 is from Quebec refundable tax credits relating to 2022 expenditures in the year ended December 31, 2022.

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

9. Exploration and evaluation assets (continued):

(c) Grasset, Quebec:

The Company owns a 100% interest in the Grasset Property. The Grasset property is located immediately east of and adjoins the Fenelon Property and is part of the Detour-Fenelon Gold Trend Property.. There are no underlying royalties on the Grasset Property. Claims relating to nickel assets with a historical book value of $27,627,000 were sold to Archer (note 8(b)). The remaining carrying value of $1,680,095 relates to claims retained by the Company.

Recovery of $283,000 is from Quebec refundable tax credits relating to 2022 expenditures in the year ended December 31, 2022. The recovery relates to the claims retained by the Company.

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

On November 18, 2022, the Company and Archer have also entered into an exploration cooperation agreement concerning the Grasset property (the **"Exploration Agreement"**). The Exploration Agreement applies to the Grasset property but excludes those portions which include the mineral resource on such property (the **"Gold Cooperation Area"**). Pursuant to the Exploration Agreement, Wallbridge will be granted the right to explore the Gold Cooperation Area for gold in certain circumstances. If the results from either Wallbridge's or Archer's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary gold mineralization, then the parties will form a joint venture in which Archer will have a 30% interest and Wallbridge will have a 70% interest. If the results from Wallbridge's exploration work in the Gold Cooperation Area establish a mineral resource that consists of primary mineralization other than gold, then the parties will form a joint venture in which Archer will have a 70% interest and Wallbridge will have a 30% interest. The purpose of any such venture will be to explore, develop and operate such a mineral resource. The Exploration Agreement has a term of five years and is subject to early termination in certain circumstances.

9. Exploration and evaluation assets (continued):

(d) Detour East, Quebec:

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

On November 23, 2020, the Company entered into an option agreement (**"the Detour Option Agreement"**) with Agnico. Under the terms of the Detour Option Agreement, the Company granted Agnico the option to acquire up to an undivided 50% interest in Detour East by incurring expenditures of $7,500,000 over five years, with a minimum commitment of $2,000,000 in the first two years ($500,000 by the first anniversary and $1,500,000 by the second anniversary of entering into the agreement). As at December 31, 2022, Agnico has satisfied the first and second anniversary minimum commitments of $2,000,000 and excess expenditures will be carried forward to the final minimum commitment under the option agreement of $5,500,000 on or before November 23, 2025.

During the option period, Agnico shall have the right to act as operator of Detour East. Upon satisfaction of the Detour East option, the Company and Agnico shall form a joint venture on Detour East with Agnico acting as the operator. Upon the formation of the joint venture, Agnico will hold the right to acquire an additional 25% interest in Detour East by incurring additional expenditures of $27,500,000 within the first five years of the formation of the joint venture. Upon Agnico having incurred additional expenditures of $27,500,000, Agnico shall have earned an undivided 75% interest in Detour East. After Agnico has earned an undivided 75% interest any additional funds required will be contributed by the joint venture parties based on their then proportional interests. Should either the Company or Agnico elect not to fund a program, its joint venture interest will be diluted pro-rata. If either the Company or Agnico commit to fund a program, and fails to contribute its share of the funding, their joint venture interest will be diluted at three times the pro-rata rate.

9. Exploration and evaluation assets (continued):

(e) Hwy 810, Quebec:

The Company owns a 100% interest in the Hwy 810 Property, which is located proximal to the producing Casa Berardi gold mine approximately 70 kms south of the Detour-Fenelon Gold Trend Property. The property was acquired by staking and there are no royalties or other encumbrances on the property.

(f) Other Quebec Properties:

The Company owns a 100% interest in the N2 property, Quebec. There are NSR royalties of 1% to 5% on the property in favour of former property owners and payable on commencement of commercial production. Buyout provisions exist for certain portions of these royalties.

The Company owns a 100% interest in the Harri, Nantel, and Doigt properties, which are part of the Detour-Fenelon Gold Trend Property. There are NSR royalties of 1% to 2% relating to claims on the Harri property.

The Company owned a 100% interest in six properties in the Lac Rocher Nickel District in Quebec (the “RUM” properties) prior to the sale of these properties to Archer in connection with the Archer Transaction which closed on November 18, 2022 (note 8). The RUM Properties were originally acquired by staking and thus there are no royalties payable or third-party encumbrances.

The Company owned a 100% interest in the Jeremie property, which is subject to three NSRs at 1%. The Jeremie property was sold to Archer on November 18, 2022 in relation to the Sale Agreement and all rights and obligations were transferred to Archer upon closing of the transaction (note 8(b)).

(expressed in Canadian Dollars)

9. Exploration and evaluation assets (continued):

(f) Other Quebec Properties (continued):

The Company entered into an option agreement (the "Casault Agreement") with Midland Exploration Inc. ("Midland") on June 16, 2020, and amended on March 16, 2021, to acquire up to a 65% interest in the Casault gold property and made an initial $100,000 payment upon signing. Casault is contiguous to Wallbridge's Martiniere and Detour East Gold properties and is part of the Detour-Fenelon Gold Trend Property. The Company can acquire an initial undivided 50% interest in the Casault gold property (first option period), by incurring $5 million expenditures and making cash payments of $500,000. On November 4, 2022, the Company and Midland amended the agreement on the Casault property to extend the June 30, 2023 spending requirement of $1,250,000 to on or before December 31, 2023.

As at December 31, 2022, the Company incurred $2,008,153 of expenditures which includes a 10% administration fee and made cash payments of $110,000 by June 30, 2021, and $110,000 by June 30, 2022 pursuant to the agreement.

The remaining expenditures and cash payments to earn the initial undivided 50% interest under the Casault Agreement are as follows:

	Expenditures	Cash payments
On or before June 30, 2023	$ -	$ 130,000
On or before December 31, 2023	991,847	-
On or before June 30, 2024	2,000,000	150,000
	$ 2,991,847	$ 280,000

Should the Company's expenditures fall short of the required amount in any specified period, it may elect to make a cash payment to Midland in an amount equal to the shortfall in full satisfaction of the expenditure commitment for such period.

Upon earning a 50% interest in Casault upon completion of the first option period, the Company can increase its ownership interest to 65%, by incurring an additional $6 million of expenditures within a period of two years from the date of exercising this option.

Should the Company elect to not earn, or to cease to earn, the additional undivided interest pursuant to the second option, the parties shall then form a joint venture to manage the Casault gold property. The Company shall be the operator of the joint venture as long as it has at least a 50% participating interest in the joint venture, or it has not elected to discontinue operatorship of the joint venture.

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

In 2021, the recovery of $626,000 relates to Quebec refundable tax credits relating to 2021 expenditures.

(expressed in Canadian Dollars)

9. Exploration and evaluation assets (continued):

(g) Beschefer Project ("Beschefer"):

Beschefer is a gold exploration property located approximately 30 km southwest of Fenelon.

On February 21, 2020, the Company acquired certain claims relating to Beschefer for $659,200. As part of the acquisition agreement, the Company shall spend up to $600,000 on other properties owned by the vendor, at the vendor's discretion, in consideration for transfer of 10% ownership in the properties, as well as a right of first refusal to purchase such properties.

On March 17, 2020, the Company entered into an agreement to deem the exercise of the Company's option pursuant to the Beschefer agreement satisfied upon the issuance of 3,000,000 common shares and 500,000 common share purchase warrants exercisable for $1.00 per common share and expiring five years from the date of issuance. The value of the shares and warrants $1,449,500 were recorded as acquisition costs.

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

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

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

As at December 31, 2022, Goldseek has satisfied the first and second anniversary minimum commitments of $500,000 and $750,000 respectively and excess expenditures will be carried forward to the third anniversary minimum commitment under the option agreement. The Company received an additional 750,000 shares on February 13, 2023 with a fair value of $37,500 and which are subject to a four month hold period.

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

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

9. Exploration and evaluation assets (continued):

(h) Sudbury Properties formerly subject to Loncan exploration joint venture agreements:

Effective November 7, 2022, concurrent with the sale of the investment in Loncan (note 8), all of the exploration joint venture agreements and the operatorship agreement with Loncan terminated.

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

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

In March 2021, the Company and Impala agreed to extend the final option payment to June 30, 2022 by the Company making a $100,000 payment by June 30, 2021. In April 2022, the Company and Impala agreed to extend the final option payment to June 30, 2023 by the Company making a $100,000 payment by June 30, 2022.

On July 23, 2022 the Company and Impala agreed to an addendum to the Impala option agreement such that the deferral payments made by the Company from 2019 to 2022 of $500,000 be applied to reduce the final option payment from $1,500,000 to $1,000,000. The final option payment is payable before June 30, 2023 to acquire Impala's interest.

The rights and obligations, including the Impala option agreement, on the Parkin Properties were transferred to Archer upon completion of the transaction on November 18, 2022 (note 8).

9. Exploration and evaluation assets (continued):

(i) Other Sudbury Properties:

During the year ended December 31, 2022, the Company sold its interests in six other exploration properties in the Sudbury, Ontario area of which two of the exploration properties are subject to joint venture arrangements with other parties and are subject to certain NSR royalties, to Archer pursuant to the Sale Agreement. Rights and obligations relating to these properties were transferred to Archer upon closing of the transaction on November 18, 2022 (note 8(b)).

(j) Other Ontario Properties:

All Other Ontario Properties discussed below have been sold to Archer pursuant to the Sale Agreement closing on November 18, 2022 (note 8(b)).

Gargoyle, Goblin and Ghost, Ontario

The Company had an option agreement to acquire a 100% interest in the Gargoyle Property in Ontario. The Company issued 106,500 common shares valued at $68,160 on August 16, 2021 and exercised the option by making a final cash payment of $50,000 in August 2022. The Company granted a 2% NSR royalty to the vendor, half of which may be repurchased at any time for $1,000,000. The Company also had a right of first refusal on the sale of the remaining NSR interest.

The Goblin or Ghost properties are not subject to the terms and conditions of the Gargoyle Agreement and thus were 100% owned by the Company and free of royalty interests.

The Company recorded an impairment of $719,276 on these properties as at December 31, 2021 as a result of management's decision to not incur any further expenditures on these properties. In the year ended December 31, 2022, the Company renewed the land claims for the Gargoyle property in relation to the Sale Agreement and recorded an impairment reversal of $670,156 on this property.

(expressed in Canadian Dollars)

10. Property and equipment:

Cost:

	Buildings, leaseholds and bridges	Vehicles, Site buildings, and equipment	Right-of-Use buildings	Right-of-Use vehicles and equipment	Total
Balance, December 31, 2020	$ 810,588	$ 8,067,180	$ 336.591	$86,808	$ 9,301,167
Additions	-	3,574,974	-	-	3,574,974
Disposals	-	-	-	-	-
Balance, December 31, 2021	$ 810,588	$ 11,642,154	$ 336,591	$86,808	$ 12,876,141
Additions	-	1,114,919	41,211	-	1,156,130
Reclassification of purchased right of use assets	-	43,067	-	(43,067)	-
Disposals	(92,920)	(282,958)	(274,716)	-	(650,594)
Balance, December 31, 2022	$ 717,668	$ 12,517,182	$ 103,086	$43,741	$ 13,381,677

Accumulated depreciation:

	Buildings, leaseholds and bridges	Vehicles, Site buildings, and equipment	Right-of Use buildings	Right-of Use vehicles and equipment	Total
Balance, December 31, 2020	$ 183,733	$ 1,655,421	$ 151,668	$ 43,917	$ 2,034,739
Depreciation	54,295	1,482,500	104,194	21,272	1,662,261
Disposals	-	-	-	-	-
Balance, December 31, 2021	$ 238,028	$ 3,137,921	$ 255,862	$ 65,189	$ 3,697,000
Depreciation	47,981	1,817,415	84,164	10,634	1,960,194
Reclassification of purchased right of use assets	-	43,067	-	(43,067)	-
Disposals	(42,017)	(240,684)	(274,716)	-	(557,417)
Balance, December 31, 2022	$ 243,992	$ 4,757,719	$ 65,310	$ 32,756	$ 5,099,777

Carrying amounts:

	Buildings, leaseholds and bridges	Vehicles, Site buildings, and equipment	Right-of-Use buildings	Right-of-Use vehicles and equipment	Total
At December 31, 2021	$ 572,560	$ 8,504,233	$ 80,729	$ 21,619	$ 9,179,141
At December 31, 2022	$ 473,676	$ 7,759,463	$ 37,776	$ 10,985	$ 8,281,900

The Company capitalized depreciation of $1,824,323 to Fenelon in 2022 (2021 - $1,488,621).

Included in disposals are bridges and equipment sold to Archer (note 8(b)) for a total carrying value of $93,177.

(expressed in Canadian Dollars)

11. Accounts payable and accrued liabilities:

	2022	2021
Accounts payable	$ 2,942,064	$ 10,550,466
Accrued liabilities	1,854,537	1,826,003
Quebec mining tax and other tax liabilities	-	208,621
Payroll related liabilities	482,190	740,313
	$ 5,278,791	$ 13,325,403

Included in accounts payable and accrued liabilities at December 31, 2022 are amounts relating to exploration properties of $2,931,417 (December 31, 2021 - $9,930,168).

12. Related party transactions:

(a) The Company had the following transactions with related parties:

	2022	2021
Loncan (i)		
Recovery of costs billed to Loncan plus 10% fee	$ (15,409)	$ (211,511)
Other income related to milestone reached	(150,000)	-
William Day Holdings Limited (“William Day”)(ii)		
Broken Hammer closure plan and other expenditures	-	7,995
Gemibra Media (iii)		
Social media, website, and video production services	56,400	49,100
Archer (iv)		
Other income related to secondment and sub-lease agreements	(17,338)	-

(i) At December 31, 2022, the Company has a receivable from Loncan of $nil (2021 – $156,486). These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties. With the sale of Loncan to Magna on November 7, 2022, Loncan is no longer a related party.

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

As part of the consideration for granting a loan to the Company in 2016 which was subsequently repaid, the Company entered into a cooperation agreement granting William Day the right of first opportunity to bid on commercially reasonable terms, all contracts relating to the construction of surface facilities, and transportation services for mining operations.

(expressed in Canadian Dollars)

12. Related party transactions (continued):

(iii) A principal of Gemibra Media is a close family member of Marz Kord, the President and CEO, and director of the Company. At December 31, 2022, the Company has a payable to Gemibra Media of $5,311 (2021 - $4,520). In January 2022, the Company entered into two agreements to provide social media, website and video production services for a total of $4,700 per month for a term of twelve months. In January 2023, the Company entered into two agreements to provide social media, website, and video production services for a total of $4,700 per month for a term of twelve months. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(iv) Effective November 18, 2022, the Company entered into a sublease agreement with Archer for a portion of Wallbridge premises relating to Nickel Assets and a secondment agreement to provide Archer with Company personnel for work on Nickel Asset properties on an as needed basis. At December 31, 2022, the Company has a receivable from Archer of $19,591 (2021 – $nil) and a payable to Archer of $612,230 (2021 - $nil). In addition, the Company has an indemnification asset of $2,466,991 (2021 - $nil) relating to the Broken Hammer closure plan liability (note 14) which Archer assumed pursuant to the Sale Agreement. These transactions were in the normal course of operations and measured at the exchange amount of consideration established and agreed to by the related parties.

(b) Key management personnel compensation:

The remuneration of Directors, President and CEO, and CFO of Wallbridge was as follows:

	2022	2021
Salaries and benefits (1)	$1,367,267	$1,210,941
Share-based compensation (2)	835,841	698,528
	$2,203,108	$1,909,469

(1) Salaries and benefits and directors' fees are included in general and administrative expenses on the statement of loss and comprehensive loss. Included in directors' fees are deferred share units ("DSUs") granted for 2022 fees totalling $339,124 (2021 - $337,135).

(2) Share based compensation is included in general and administrative expenses on the statement of loss and comprehensive loss and consists of stock options.

(expressed in Canadian Dollars)

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

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

The Company incurred and renounced expenditures effective December 31, 2021, qualifying Canadian exploration expenses (**"CEE"**) of $20,010,230. The Company recorded premiums of $7,161,556 in connection with the charity flow-through financing (note 16 (a) (iii)) in 2021.

The Company incurred and renounced CEE of $29,187,570 effective December 31, 2022. The Company recorded premiums of $8,621,698 in connection with the charity flow-through financing (note 16(a)(vii)) and private placement flow-through financing (note 16(a)(viii)) in 2022.

The Company estimates the proportion of the proceeds attributable to the flow-through premium as the excess of the subscription price over the market value of the shares and records this value as a liability at the time the shares are issued.

As qualifying expenditures are incurred, the Company recognizes a pro-rata reduction of the flow-through premium liability as other income in the statements of loss and comprehensive loss. During the year ended December 31, 2022, a reduction in the flow-through liability of $8,621,698 was recorded in other income (2021 - $7,181,556).

(expressed in Canadian Dollars)

14. Provision for Closure Plan:

	December 31, 2022	December 31, 2021
Broken Hammer Project	$ 2,466,991	$ 2,004,259
Fenelon property	1,089,860	1,089,860
Martiniere property	475,479	100,000
Provision for closure plan	$ 4,032,330	$ 3,194,119

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

	2022	2021
Provision for closure plan, beginning of the year	$ 3,194,119	$ 3,743,989
Change in estimate - Broken Hammer Project	1,020,849	-
Provision for Martiniere property reclamation – change in estimate	400,000	-
Closure plan expenditures - Broken Hammer Project	(558,117)	(549,870)
Property reclamation expenditures - Martiniere	(24,521)	-
Provision for closure plans, end of the year	$ 4,032,330	$ 3,194,119
Broken Hammer closure plan for disposal	(2,466,991)	-
Current portion of provision for closure plan	(275,479)	(575,843)
Provision for closure plan, long term	$1,289,860	$ 2,618,276

The Company's initial estimates are based on independent studies or agreements with the respective government body for each project using current restoration standards and techniques. Subsequent changes to provision for the closure plan were based on management's best estimates. The Company determined that the impact of discounting the future closure expenditures as at December 31, 2022 and 2021 is immaterial and as such, no discount rate has been applied in determining the closure provision. The Broken Hammer Project has been in a state of inactivity since 2015 and closure plan activities have been ongoing. The closure plan liability related to the Broken Hammer Project was sold to Archer effective November 18, 2022 pursuant to the Sale Agreement (note 8). The process to transfer the Broken Hammer Project closure plan to Archer through the Ministry of Mines has commenced; however, the timing of approval is uncertain. Archer has assumed the obligation for the Broken Hammer closure plan and $2,466,991 has been recorded as an indemnification asset based on the terms of the Sale Agreement.

14. Provision for Closure Plan (continued):

The current balance of $275,479 on Martiniere is expected to be incurred in 2023 and the long-term balance of $200,000 is expected to be incurred in 2024. The long-term balance of $1,089,860 on Fenelon is expected to be incurred between 2026 and 2035. The closure plan liability at Fenelon is based on the current closure plan which may be required to be amended based on future activities on the property. The change to the provision for property reclamation at Martiniere was based on management's best estimates for the requirements.

On August 12, 2021, the Company received approval from the Ministère de l'Énergie et des Ressources Natural ("MERN") for an updated closure plan at Fenelon. The updated closure plan includes additions for future disturbances which have not occurred as at December 31, 2022. With the approval of the closure plan in 2021, the Company increased its financial assurance with MERN from $1,089,960 to $2,908,600 and will increase the closure plan provision once the disturbances have occurred.

At December 31, 2022 and December 31, 2021, the Company has one-year renewable letters of credit, secured by cash and cash equivalents, of $3,259,845 supporting the closure plans. Pursuant to the Sale Agreement (note 8(b)), the letter of credit of $361,245 relating to the Broken Hammer Project closure plan will be released from the Company's restricted cash upon transfer of the closure plan to Archer.

(expressed in Canadian Dollars)

15. Taxes:

(a) Tax provision:

Income taxes differ from the amount that would be computed by applying the combined Federal and Provincial statutory income tax rates of 26.5% (2021 – 26.5%). The reconciliation between the statutory and the effective tax rates is provided as follows:

	2022	2021
Income (loss) before income taxes	$(22,901,289)	$298,484
Expected tax expense (recovery) at statutory rate	(6,069,000)	79,000
Increase (decrease) in provision resulting from:		
Renunciation of exploration expenditures	12,405,000	8,504,000
Non-deductible loss on the sale of Nickel Assets	7,314,000	-
Tax impact on the sale of Nickel Assets and Distribution of Archer shares	(1,917,000)	-
Other permanent differences	239,000	483,000
Adjustment to prior years	(336,000)	843,000
Non-taxable income on flow through shares	(2,285,000)	(1,903,000)
Change in unrecognized deferred tax assets	-	(538,000)
Future deductibility of deferred and minimum mining related taxes	(1,534,000)	(1,562,000)
Attributes utilized to claim tax credit	856,000	2,286,000
Deferred tax expense	$ 8,673,000	$ 8,192,000

(b) The components of deferred tax assets and liabilities are as follows:

	2022	2021
Exploration and evaluation assets	$(38,944,000)	$ (28,445,000)
Property and equipment	(277,000)	(397,000)
Non-capital losses	12,544,000	10,893,000
Deferred financing and other costs	941,000	1,339,000
Deferred and minimum mining related taxes	4,777,000	3,252,000
Investment in associates	(576,000)	-
Deferred tax liability	$ (21,535,000)	$ (13,358,000)

The Company has non-capital losses of approximately $75,704,000 that will expire between 2027 and 2042 if not used.

15. Taxes (continued):

(c) Unrecognized deferred tax assets:

Deferred tax assets have not been recognized in respect of the following deductible temporary differences, because it is not probable that future taxable profit will be available against which the Company can utilize the benefits therefrom:

	2022	2021
Capital losses	$ -	$ 10,020,384
Provision for closure plan	1,089,860	1,089,860
Unrealized loss on marketable securities	209,500	71,608

(expressed in Canadian Dollars)

16. Shareholders' equity:

(a) Share capital transactions:

	Number of shares	Share capital
Balance, December 31, 2020	788,635,216	$373,479,125
Shares issued upon exercise of warrants (i)	3,585,938	4,148,156
Shares issued upon exercise of stock options (ii)	475,000	83,860
Bought deal public offering – flow-through shares (iii)	21,063,400	20,010,230
Issuance costs allocated to shares, net of tax impact (iii)	-	(1,179,517)
Flow-through premium (iii)	-	(7,161,556)
Shares issued upon exercise of deferred share units (iv)	4,249,837	2,083,810
Shares issued for option payment of exploration asset (v)	106,500	68,160
Balance, December 31, 2021	818,115,891	$391,532,268
Shares issued upon exercise of stock options (vi)	130,000	20,017
"Bought deal" Public Offering – charity flow-through shares (vii)	27,300,000	15,015,000
Private Placement – flow-through shares (viii)	36,968,351	14,172,570
Issuance costs allocated to shares (vii, viii)	-	(1,380,261)
Flow-through premium (vii, viii)	-	(8,621,698)
Return of capital distribution to the Company's shareholders (ix)	-	(20,048,000)
Balance, December 31, 2022	882,514,242	$390,689,896

(i) During the year ended December 31, 2021, 3,585,938 common shares were issued upon exercise of warrants at an average exercise price of $0.42 for total proceeds of $1,515,185. Value of the warrants exercised of $2,632,971 is included in share capital.

(ii) During the year ended December 31, 2021, 475,000 common shares were issued upon exercise of stock options at an average exercise price of $0.11 for total proceeds of $52,374. Value of the stock options exercised of $31,486 is included in share capital.

16. Shareholders' equity (continued):

(a) Share capital transactions (continued):

(iii) On April 15, 2021, the Company completed a "bought deal" public offering through the issuance of an aggregate of 21,063,400 charity flow-through common shares of the Company at a price of $0.95 (the "Offering Price") per charity flow-through share for gross proceeds of $20,010,230 to the Company, inclusive of the full exercise of the over-allotment option by the Underwriters to acquire an additional 2,747,400 charity flow-through shares at the Offering Price. The charity flow-through shares were issued and sold pursuant to the terms of an underwriting agreement dated March 31, 2021. The Underwriters were paid a cash commission of 5.5% on the gross proceeds of the Offering.

In connection with the Offering, Agnico was one of the back-end buyers and acquired 2,085,277 Common Shares to maintain its ownership interest in the Company at approximately 9.9% (on a non-diluted basis) in accordance with the non-dilution rights granted to Agnico by the Company pursuant to a participation agreement between the Company and Agnico dated December 6, 2019. In respect of the Offering, the charity flow-through shares were offered by way of a short form prospectus dated April 12, 2021, filed in all of the provinces of Canada.

The Company recorded a flow-through share premium and a corresponding deferred liability of $7,161,556 (note 13). Share issuance costs of $1,605,517 for the public offering were charged as a reduction of share capital, net of tax impact of $426,000.

(iv) During the year ended December 31, 2021, 4,249,837 common shares were issued upon conversion of deferred share units by retired directors. Value of the common shares issued of $2,083,810 is included in share capital.

(v) On August 16, 2021, 106,500 common shares were issued as part of an option agreement to purchase an exploration asset included in Other Ontario Properties. Value of the common shares issued of $68,160 is included in share capital.

(vi) During the year ended December 31, 2022, 130,000 common shares were issued upon exercise of stock options at an average price of $0.08 for total proceeds of $10,050. Value of the stock options exercised of $9,967 is included in share capital.

16. Shareholders' equity (continued):

(a) Share capital transactions (continued):

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

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

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

The Company recorded a flow-through share premium and a corresponding deferred liability of $6,279,000 (note 13).

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

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

The Company recorded a flow-through share premium and corresponding deferred liability of $2,342,698 (note 13). Share issuance costs of approximately $596,663 for the private placement were charged as a reduction of share capital, net of tax impact of $158,000.

16. Shareholders' equity (continued):

(a) Share capital transactions (continued):

(ix) On November 18, 2022, the Company completed the sale of all of the property, rights and obligations related to Wallbridge's Nickel Assets to Archer (note 8(b)). As part of this transaction, Wallbridge immediately distributed 48,168,171 of Archer common shares to the Company's shareholders of record as of November 16, 2022. The common shares of Archer distributed to Wallbridge's shareholders are subject to a four month hold period in accordance with regulatory requirements.

The distribution was effected as a reduction in the stated capital of the Company pursuant to Section 34(1)(b) of the Business Corporations Act (Ontario) in accordance with the resolution approved by the Company's shareholders on October 18, 2022 and as approved by the Company's Board of Directors on November 9, 2022.

In accordance with IFRIC 17, Distribution of Non-cash Assets to Owners, the Company recognized the transfer of net assets to Wallbridge shareholders at fair value which was based on the expected market value per Archer common share bifurcated from the non flow-through units sold in the private placement completed by Archer on November 18, 2022. The fair value of the assets distributed was calculated as $0.4162 per common share, resulting in a reduction to the Company's share capital of $20,048,000 and was distributed on the basis of 0.0546 Archer shares for every one share held in Wallbridge to the Company's shareholders. There was no change in the fair value of the shares between the date of the approval of the distribution by the Company's Board of Directors on November 9, 2022 and the date of the distribution; therefore, there is no gain or loss recognition in the statement of net and comprehensive loss.

16. Shareholders' equity (continued):

(b) Share based compensation plan:

The Company has an omnibus share based compensation plan comprised of restricted share units, deferred share units and stock options. Awards under the plan may be granted to any non-employee director, officer, employee or consultant. Under the plan, no cash settlements will be made as settlement will be in common shares only. The number of common shares available for issuance may not exceed 10% of the issued and outstanding common shares. In addition, the number of common shares issued and issuable to insiders within one year period shall not exceed 10% of the issued and outstanding common shares and to any one insider within one year shall not exceed 5% of the issued and outstanding common shares.

(i) Restricted Share Units (**"RSUs"**) may be granted to participants and are based on individual and corporate performance criteria. The Compensation and HR Committee determines the vesting schedule at the time of grant. The RSUs will be paid out to the participant no later than three years from the year in which the RSUs were granted. A restricted share unit is automatically converted into one common share upon vesting for no additional consideration. RSUs are equity-settled and are fair valued based on the market value of the shares at the grant date. The Company's compensation expense is recognized over the vesting period based on the number of units estimated to vest. Management estimates the number of awards likely to vest on grant and at each reporting date up to the vesting date. The estimated forfeiture rate is adjusted for actual forfeitures in the period. On settlement of RSUs, the shares are issued from treasury. No RSUs were issued during 2022 and 2021.

(ii) Deferred share units (**"DSUs"**) may be used for partial payment of directors' fees to non-employee directors. A DSU is a notional share that has the same value as one common share. Directors may choose to take all or part of their fees in DSUs, with the consent of the Company. DSUs are paid out to the directors when they retire from the Board. DSUs are equity settled and are fair valued based on the market value of the shares at the grant date.

(iii) Stock Options may be granted to participants of the plan. The Compensation and HR Committee determines the exercise price, vesting period and exercise rights for each stock option granted. The exercise price of options granted in accordance with the plan must not be lower than the closing price for such shares as quoted on the TSX on the last business day prior to the date of the grant. Alternatively, the exercise price must not be lower than the five day weighted average trading price of the shares for the last five days that the shares traded on the TSX prior to the date of the grant.

(expressed in Canadian Dollars)

16. Shareholders' equity (continued):

(b) Share based compensation plan (continued):

A summary of the Company's DSUs are as follows:

	2022	2021
DSUs	Number	Number
Outstanding, beginning of year	2,719,818	6,420,004
Granted for settlement of prior year's directors' fees	219,792	77,924
Granted for settlement of current year's directors' fees	1,296,501	471,727
Exercised	-	(4,249,837)
Outstanding, end of year	4,236,111	2,719,818

In 2022, a total of 219,792 DSUs (2021 – 77,924) were granted to directors of the Company in settlement of the fourth quarter of 2021 directors' fees owing of $85,719 (2021 - $60,625). In 2023, a total of 426,921 DSUs were granted to the directors of the Company in settlement of the fourth quarter of 2022 directors' fees owing of $81,968.

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

	2022		2021	
Stock Options	Number	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
Outstanding, beginning of year	12,645,436	$0.59	9,519,724	$0.59
Granted	10,350,500	$0.36	4,930,012	$0.64
Cancelled	(903,336)	$0.45	(45,700)	$0.64
Expired unexercised	(1,997,188)	$0.95	(1,283,600)	$0.92
Exercised	(130,000)	$0.08	(475,000)	$0.11
Outstanding, end of year	19,965,412	$0.45	12,645,436	$0.59

At December 31, 2022, 7,591,758 stock options were exercisable. The weighted average exercise price of options exercisable at December 31, 2022 is $0.49 (December 31, 2021 – 8,255,724 exercisable stock options with a weighted average exercise price of $0.57 per share). The weighted average remaining contractual life of stock options outstanding is 4.61 years (December 31, 2021 – 3.51 years).

16. Shareholders' equity (continued):

(b) Share based compensation plan (continued):

For the year ended December 31, 2022, $928,318 (year ended December 31, 2021 - $772,902) of expense relating to stock options was recorded in share based compensation, and $273,585 (December 31, 2021 - $173,894) was capitalized to exploration and evaluation assets.

On March 19, 2021, 4,294,200 stock options were granted at an exercise price of $0.64 which expire on March 19, 2028 and vest equally over three years beginning on March 19, 2022. Upon the retirement of two directors on May 12, 2021, 494,600 of the granted options vested immediately and expired on May 12, 2022. Upon resignation of employees during the 2021 year, 45,700 stock options were cancelled as they did not vest. Upon resignation of employees during the 2022 year, 242,936 stock options were cancelled as they did not vest and 121,464 stock options expired unexercised.

On June 15, 2021, 280,312 stock options were granted at an exercise price of $0.61 which will expire on June 15, 2028. The stock options will vest equally over three years beginning on June 15, 2022.

On September 1, 2021, 240,200 stock options were granted at an exercise price of $0.60 which will expire on September 1, 2028. The stock options will vest equally over three years beginning on September 1, 2022.

On September 13, 2021, 115,300 stock options were granted at an exercise price of $0.61 which will expire on September 13, 2028. The stock options will vest equally over three years beginning on September 13, 2022.

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

On August 22, 2022, 1,113,600 stock options were granted at an exercise price of $0.18 which will expire on August 23, 2029. The stock options will vest equally over three years beginning on August 22, 2023.

(expressed in Canadian Dollars)

16. Shareholders' equity (continued):

(b) Share based compensation plan (continued):

The fair value of stock options granted during the year ended December 31, 2022 has been estimated using the Black-Scholes pricing model to be $1,782,316 (2021 - $1,607,387) or $0.17 per common share (2021 - $0.33 per common share).

The assumptions used in the pricing model are as follows:

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

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

The following table summarizes the stock options outstanding at December 31, 2022:

Exercise Price	Number	Exercisable	Expiry Date
$0.075	450,000	450,000	July 5, 2023
$0.25	191,700	191,700	September 7, 2023
$0.165	400,000	400,000	December 7, 2023
$0.155	1,275,000	1,275,000	January 3, 2024
$0.175	200,000	200,000	January 28, 2024
$0.25	624,800	624,800	April 12, 2024
$0.42	200,000	200,000	July 21, 2024
$0.785	200,000	200,000	December 9, 2024
$0.66	1,597,500	1,597,500	January 30, 2025
$0.93	1,011,000	1,011,000	May 11, 2025
$0.77	100,000	100,000	December 12, 2025
$0.64	3,389,500	1,129,822	March 19, 2028
$0.61	280,312	93,437	June 15, 2028
$0.60	240,200	80,066	September 1, 2028
$0.61	115,300	38,433	September 13, 2028
$0.385	8,576,500	-	March 28, 2029
$0.18	1,113,600	-	August 22, 2029
Outstanding options	19,965,412	7,591,758	

(expressed in Canadian Dollars)

16. Shareholders' equity (continued):

(c) Share purchase warrants:

Each warrant entitles the holder to purchase one common share.

At December 31, 2022, the Company has reserved shares for issuance as follows:

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

No warrants were issued during the year ended December 31, 2022 or 2021.

There are 500,000 warrants outstanding at December 31, 2022 with an exercise price of $1.00 which expire on March 17, 2025.

17. Commitments and contingencies:

(a) The Company's activities are subject to environmental regulation (including regular environmental impact assessments and permitting) in each of the jurisdictions in which its mineral properties are located. Such regulations cover a wide variety of matters including, without limitation, prevention of waste, pollution and protection of the environment, labour relations and worker safety. The Company may also be subject under such regulations to clean-up costs and liability for toxic or hazardous substances which may exist on or under any of its properties or which may be produced as a result of its operations. It is likely that environmental legislation and permitting will evolve in a manner which will require stricter standards and enforcement. This may include increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a higher degree of responsibility for companies, their directors and employees.

The Company is not aware whether any provision for such costs is required and is unable to determine the impact on its financial position, if any, of environmental laws and regulations that may be enacted in the future due to the uncertainty surrounding the form that these laws and regulations may take.

17. Commitments and contingencies (continued):

(b) From time to time the Company may be subject to legal claims, with and without merit. These claims may commence informally and reach a commercial settlement or may progress to a more formal dispute resolution process. The causes of potential future claims cannot be known and may arise from, among other things, business activities, environmental laws, volatility in stock price or failure to comply with disclosure obligations. Defense and settlement costs may be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation and dispute resolution process, there can be no assurance that the resolution of any particular legal proceeding or dispute will not have a material adverse effect on the Company's future cash flows, results of operations or financial condition.

Management determines when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and is probable that a future outflow of resources will be required to settle the obligation, provided that a reasonable estimate of the amount of the obligation can be made. Provisions for legal claims, onerous contracts and commitments are recognized at the best estimates of the expenditures required to settle the Company's liability. Provisions are measured at the present value of the expenditures required to settle the obligation.

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

(d) In December 2020, the Company signed an agreement with McGill University to sponsor a research project on the Detour-Fenelon Gold Trend for $240,000 which is payable at $60,000 per year for four years. The first payment was made in January 2021, the second payment was made in December 2021, and the third payment was made in December 2022.

18. Subsequent Events:

On February 27, 2023, Wallbridge completed a non-brokered private placement of 37,956,353 national flow-through common shares issued at a price of $0.185 and 8,000,000 Quebec flow-through common shares issued at a price of $0.20 for aggregate gross proceeds of $8,621,925. The Company paid a cash finder's fee of 4% in connection with this non-brokered private placement.

In addition, on March 13, 2023, the Company announced that it has completed a non-brokered private placement with Agnico of 6,000,000 common shares issued at a price of $0.17 for aggregate gross proceeds of $1,020,000 pursuant to certain participation rights set out in a pre-existing participation agreement.

All securities issued are subject to a four month and one day statutory hold period. The net proceeds will be used to support the Company's 2023 exploration program at the Company's Detour-Fenelon Gold Trend Property.