G2 GOLDFIELDS INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MAY 31, 2021

(EXPRESSED IN CANADIAN DOLLARS)

Independent Auditor's Report

To the Shareholders of G2 Goldfields Inc.:

Opinion

We have audited the consolidated financial statements of G2 Goldfields Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at May 31, 2021 and May 31, 2020, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at May 31, 2021 and May 31, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audits 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 Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that as at May 31, 2021, the Company had an accumulated deficit. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises Management's Discussion and Analysis.

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

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to 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. We have nothing to report in this regard.

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

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

In preparing the consolidated financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 these consolidated 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 consolidated 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 Company'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 Company'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 consolidated 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Brock Stroud.

MNP LLP

Toronto, Ontario
September 28, 2021

Chartered Professional Accountants
Licensed Public Accountants

MNP

G2 Goldfields Inc.
Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)

As at May 31,	**2021**	**2020**
ASSETS		
Current		
Cash	**$ 2,037,445**	$ 583,775
Short-term investments (note 7)	**72,000**	5,000
Amounts receivable (note 8)	**86,504**	15,399
Due from related parties (note 18)	**127,043**	-
Prepaids	**66,981**	49,044
Total current assets	**2,389,973**	653,218
Non-Current		
Fixed assets (note 9)	**248,596**	267,895
Mining interests (note 10)	**11,283,721**	20,024,861
Total non-current assets	**11,532,317**	20,292,756
Total assets	**$ 13,922,290**	$ 20,945,974
LIABILITIES		
Current		
Accounts payable and accrued liabilities	**$ 797,428**	$ 958,539
Due to related parties (note 18)	**227,110**	-
Total current liabilities	**1,024,538**	958,539
Non-Current		
Due to related parties (note 18)	**-**	395,910
Total liabilities	**1,024,538**	1,354,449
SHAREHOLDERS' EQUITY		
Share capital (note 11)	**52,013,845**	45,930,579
Warrants (note 12)	**1,679,424**	1,325,981
Contributed surplus (note 13)	**8,775,464**	7,287,746
Deficit	**(47,564,247)**	(34,648,787)
Cumulative Translation Adjustment	**(2,006,734)**	(303,994)
Total shareholders' equity	**12,897,752**	19,591,525
Total liabilities and shareholders' equity	**$ 13,922,290**	$ 20,945,974

Nature of Operations and Going Concern (note 1)
Subsequent events (note 19)

Approved on behalf of the Board:

"Bruce Rosenberg"
Director

"Daniel Noone"
Director

G2 Goldfields Inc.
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)

For the years ended May 31,	2021	2020
Revenue		
Royalties (note 3(m))	**$ 436,327**	$ 497,262
Operating expenses		
Share-based compensation (note 13)	**1,597,695**	820,117
Professional fees	**234,048**	267,525
Wages and employee benefits	**486,537**	189,963
Office rent and utilities	**250,820**	74,220
Consulting fees	**-**	17,646
Office and administrative	**348,110**	123,045
Transfer agent and filing fees	**316,498**	112,902
Insurance	**13,356**	19,287
Investor and community relations	**156,043**	43,349
Interest expense	**11,349**	7,875
Depreciation	**54,864**	35,498
Total operating loss	**(3,032,993)**	(1,214,165)
Unrealized gain (loss) on short-term investments	**17,000**	(5,000)
Gain (loss) on foreign exchange	**(74,864)**	7,023
Loss on spin-out of mining interest (note 10[a])	**(9,736,131)**	-
Net loss before income taxes	**(12,826,988)**	(1,212,142)
Income tax expense	**(88,472)**	-
Net loss for the year	**(12,915,460)**	(1,212,142)
Other comprehensive loss		
Cumulative translation adjustment	**(1,702,740)**	(303,994)
Loss and comprehensive loss for the year	**$ (14,618,200)**	$ (1,516,136)
Loss and comprehensive loss per share - basic and diluted (note 14)	**$ (0.11)**	$ (0.01)
Weighted average number of common shares outstanding - basic and diluted (note 14)	**120,706,737**	88,428,881

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

G2 Goldfields Inc.
Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)

For the years ended May 31,	**2021**	**2020**
Operating activities		
Net loss for the year	**$(12,915,460)**	$(1,212,142)
Items not affecting cash:		
Depreciation (note 9)	**54,864**	35,498
Share-based compensation (note 13)	**1,597,695**	820,117
Unrealized (gain) loss on short-term investments	**(17,000)**	5,000
Loss on spin-out of mining interest (note 10[(a)])	**9,736,131**	-
Foreign exchange	**(323,895)**	(517,752)
	(1,867,665)	(869,279)
Changes in non-cash working capital items:		
Amounts receivable	**(71,105)**	107,085
Due from related parties	**(127,043)**	-
Due to related parties	**(168,800)**	232,223
Prepaid expenses	**(17,937)**	(37,334)
Accounts payable and accrued liabilities	**(161,111)**	(44,364)
Net cash used in operating activities	**(2,413,661)**	(611,669)
Investing activities		
Cash from acquisition of Bartica	**-**	99,345
Mining interests	**(3,605,556)**	(3,888,413)
Purchase of short-term investments	**(50,000)**	-
Fixed assets	**(69,412)**	(38,621)
Net cash used in investing activities	**(3,724,968)**	(3,827,689)
Financing activities		
Private placements	**5,000,000**	1,350,000
Share issue costs	**(318,770)**	(14,293)
Proceeds from stock options exercised	**551,250**	-
Proceeds from warrants exercised	**2,359,819**	2,595,800
Net cash provided by financing activities	**7,592,299**	3,931,507
Net change in cash and cash equivalents	**1,453,670**	(507,851)
Cash, beginning of year	**583,775**	1,091,626
Cash, end of year	**$ 2,037,445**	$ 583,775

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

G2 Goldfields Inc.
Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)

	Number of Shares	Share Capital	Warrants	Contributed Surplus	Deficit	Cumulative Translation Adjustment	Total
Balance, May 31, 2019	**66,983,991**	**$ 36,344,181**	**$ 1,588,715**	**$ 6,459,786**	**$ (33,436,645)**	**$ -**	**$ 10,956,037**
Shares issued for property acquisition (note 11)	20,000,000	5,400,000	-	-	-	-	5,400,000
Units issued for private placement (note 11)	6,750,000	1,350,000	-	-	-	-	1,350,000
Share issue costs	-	(14,293)	-	-	-	-	(14,293)
Warrants issued for private placement (note 11)	-	(337,138)	337,138	-	-	-	-
Warrants exercised	12,920,000	3,187,829	(592,029)	-	-	-	2,595,800
Warrants expired	-	-	(7,843)	7,843	-	-	-
Stock based compensation (note 13)	-	-	-	820,117	-	-	820,117
Net loss for the year	-	-	-	-	(1,212,142)	(303,994)	(1,516,136)
Balance May 31, 2020	**106,653,991**	**$ 45,930,579**	**$ 1,325,981**	**$ 7,287,746**	**$ (34,648,787)**	**$ (303,994)**	**$ 19,591,525**
Exercise of RSU's	200,000	34,000	-	(34,000)	-	-	-
Exercise of stock options	1,650,000	941,410	-	(390,160)	-	-	551,250
Exercise of warrants	8,341,230	2,920,192	(560,373)	-	-	-	2,359,819
Warrants expired	-	-	(314,183)	314,183	-	-	-
Units issued for private placement (note 11)	9,711,537	3,772,001	1,227,999	-	-	-	5,000,000
Share issue costs	-	(318,770)	-	-	-	-	(318,770)
Spin-out of Sandy Lake Project (note 10[(a)])	-	(1,265,567)	-	-	-	-	(1,265,567)
Stock based compensation (note 13)	-	-	-	1,597,695	-	-	1,597,695
Net loss for the year	-	-	-	-	(12,915,460)	(1,702,740)	(14,618,200)
Balance May 31, 2021	**126,556,758**	**$ 52,013,845**	**$ 1,679,424**	**$ 8,775,464**	**$ (47,564,247)**	**$ (2,006,734)**	**$ 12,897,752**

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

1. NATURE OF OPERATIONS AND GOING CONCERN

G2 Goldfields Inc. was incorporated as 7177411 Canada Corporation on May 21, 2009, under the laws of Canada. The Company is primarily engaged in the business of acquiring and exploring mineral properties. The common shares of the Company trade on the TSX Venture Exchange under the symbol "GTWO".

The head office, principal address, and records office of the Company are located at 141 Adelaide Street West, Suite 1101, Toronto, Ontario, Canada, M5H 3L5.

Going Concern

In order to carry out future exploration activities, the Company will need to raise additional financing. Although the Company has been successful in raising funds to date, there can be no assurance that adequate funding will be available in the future, or available under terms favorable to the Company.

These consolidated financial statements have been prepared on a going concern basis, which assumes continuity of operations and realization of assets and settlement of liabilities in the normal course of business. However, the Company is exploration-focused and is subject to the risks and challenges of companies in the same sector. These risks include, but are not limited to, the challenges of securing adequate capital given exploration, development and operational risks inherent in the mining industry as well as global economic, precious and base metal price volatility; all of which are uncertain under current market conditions. As a result of these risks, there is no assurance that the Company's funding initiatives will continue to be successful and these consolidated financial statements do not reflect the adjustments to the carrying values of assets and liabilities and the reported expenses and financial position classifications that would be necessary were the going concern assumption inappropriate. These adjustments could be material. The Company has an accumulated deficit of $47,564,247 from inception and working capital of $1,365,435. The continuing operations of the Company are dependent on its ability to continue to raise adequate financing and to commence profitable operations in the future and repay its liabilities arising from normal operations as they come due. The material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

The COVID-19 outbreak has been declared a pandemic by the World Health Organization. The situation is dynamic and the ultimate duration and magnitude of the impact on the economy, capital markets and the Company's financial position cannot be reasonably estimated at this time. The Company is monitoring developments and will adapt its business plans accordingly. The actual and threatened spread of COVID-19 globally could adversely impact the Company's ability to carry out its plans and raise capital. Exploration activities in Guyana remain to be operational as the Company has setup an isolated camp to continue its drill program.

The Company's consolidated financial statements were authorized for issue by the Board of Directors on September 28, 2021.

2. BASIS OF PREPARATION

(a) Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Accounting Standards using accounting policies consistent with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

2. BASIS OF PREPARATION (CONTINUED)

(b) Basis of Consolidation

These consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries Bartica Investments Ltd. (Bartica) and Ontario Inc (Ontario). The statements of the subsidiaries are included in the consolidated financial statement from the date control commences until the date control ceases. The Company's subsidiaries are wholly owned and all inter-company transactions, balances, including income and expenses arising from inter-company transactions are eliminated in preparing these consolidated financial statements.

(c) Basis of Measurement

The consolidated financial statements have been prepared on a historical cost basis except for financial instruments classified at fair value through profit or loss ("FVTPL") which are stated at fair values. The accounting policies have been applied consistently throughout all years presented in these financial statements.

(d) Functional and Presentation Currency

The consolidated financial statements are presented in Canadian dollars, which is the functional currency of the Company. The functional currency of Bartica is United States dollars and the functional currency of Ontario is Guyanese dollars.

(e) Use of Estimates and Judgment

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Areas requiring significant estimates and judgments by management include, but are not limited to:

- Share-based compensation – management is required to make a number of estimates when determining the compensation expense resulting from share-based transactions, including the forfeiture rate and expected life of the instruments.
- Income taxes – measurement of income taxes payable and deferred income tax assets and liabilities requires management to make judgments in the interpretation and application of the relevant tax laws. The actual amount of income taxes only become final upon filing and acceptance of the tax return by the relevant authorities, which occurs subsequent to the issuance of the financial statements.
- Mining interests - the Company capitalizes the exploration and evaluation expenditures in the statement of financial position. Where an indicator of impairment exists, management will perform an impairment test and if the recoverable amount is less than the carrying value, record an impairment charge.
- Going concern - Significant judgments are used in the Company's assessment of its ability to continue as a going concern as described in note 1.
- Business combinations – management uses judgment when assessing if the acquisition meets the definition of a business in accordance with IFRS (note 6).
- Inter-company loans - the Company applies judgment when assessing whether loans to its subsidiaries are part of its net investment in foreign operations or long-term loans expected to be repaid in future periods.
- Distribution of non-cash assets - management uses estimates to assess the fair value of distributions of non-cash assets to shareholders of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

Overall considerations

The significant accounting policies that have been applied in the preparation of these consolidated financial statements are summarized below. These accounting policies have been used throughout all periods presented in the consolidated financial statements.

Areas of judgment that have the most significant effect on amounts recognized in the financial statements are disclosed above.

(a) Cash

Cash comprises of cash on hand.

(b) Fixed Assets

On the initial recognition, fixed assets are valued at cost, being the purchase price and directly attributable costs of acquisition. Fixed assets are subsequently measured at cost less accumulated depreciation, less any accumulated impairment losses. Gains and losses on disposal of an item are determined by comparing the proceeds from disposal with the carrying cost amount and are recognized on the statement of loss and comprehensive loss.

Depreciation is recognized in the statement of loss and comprehensive loss over their estimated useful lives. Machinery and equipment and furniture and equipment is depreciated at a 15% declining balance rate. Motor vehicles is depreciated at a 20% declining balance rate.

(c) Exploration and Evaluation Assets

Exploration and evaluation assets include mining interests

Exploration and evaluation costs, including the cost of acquiring licenses, are capitalized as exploration and evaluation assets on a project-by-project basis pending determination of the technical feasibility and the commercial viability of the project. The capitalized costs are presented as either tangible or intangible exploration and evaluation assets according to the nature of the assets acquired. Capitalized costs include costs directly related to exploration and evaluation activities in the area of interest. General and administrative costs are only allocated to the asset to the extent that those costs can be directly related to operational activities in the relevant area of interest. When a license is relinquished or a project is abandoned, the related costs are recognized in net loss immediately.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) fact and circumstances suggest that the carrying amount exceeds the recoverable amount (see Impairment).

The technical feasibility and commercial viability of extracting a mineral resource is considered to be determinable when proven reserves are determined to exist, the rights of tenure are current and it is considered probable that the costs will be recouped through successful development and exploitation of the area, or alternatively by sale of the property. Upon determination of proven reserves, intangible exploration and evaluation assets attributable to those reserves are first tested for impairment and then reclassified from exploration and evaluation assets to a separate category within tangible assets. Expenditures deemed to be unsuccessful are recognized in net loss immediately. The Company capitalizes all costs to defend title of its mining interests.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Exploration and Evaluation Assets (continued)

Pre-exploration and evaluation expenditures

Exploration and evaluation costs incurred prior to acquiring the right to explore mining interests are expensed as exploration and evaluation assets on a project-by-project basis. If the costs incurred cannot be directly attributed to a project that is going to be pursued beyond the pre- exploration and evaluation stage, they are expensed.

Title

Ownership in mineral properties involves certain risks due to the difficulties in determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral interests.

(d) Income Taxes

Income tax on the profit or loss for the period presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

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

Deferred tax is recorded for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income taxes are recorded to recognize tax benefits only to the extent, based on available evidence, that it is probable that they will be realized. The following temporary differences are not provided for: goodwill not deductible for tax purposes; and the initial recognition of assets or liabilities that affect neither accounting nor taxable loss.

The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates expected to be applied to temporary differences which may reverse, based on tax laws, enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Share-based Payments

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in the share- based payments note (see note 13).

For options to employees that do not immediately vest, the fair value is measured at the grant date and each tranche is recognized on a graded-vesting basis over the period in which the options vest. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognized in the statement of loss and comprehensive loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to reserve for share-based payments.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counter party renders the service.

(f) Basic and Diluted Earnings (Loss) per Share

Basic earnings (loss) per share is based on the weighted average number of common shares of the Company outstanding during the period. The diluted earnings (loss) per share reflects the potential dilution of common share equivalents, such as outstanding share options, restricted share unit's and warrants, in the weighted average number of common shares outstanding during the period, if dilutive.

(g) Share Issuance Costs

Professional, consulting, regulatory fees and other costs that are directly attributable to the issuance of shares are charged to capital stock when the related shares are issued. Transaction costs of abandoned equity transactions are recognized in the statement of loss and comprehensive loss.

(h) Warrants

Proceeds from unit placements are allocated between shares and warrants issued by calculating the value of the warrants using the Black-Scholes option pricing model and allocating on a relative fair value basis. The value of the share component is credited to share capital and the value of the warrant component is credited to reserve for warrants account. Upon exercise of the warrants, consideration paid by the warrant holder together with the amount previously recognized in the reserve for warrants account is recorded as an increase to capital stock. For those warrants that expired unexercised, the recorded value is transferred to Contributed Surplus.

(i) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) that has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Below is a summary showing the classification and measurement bases of the Company's financial instruments.

Classification	IFRS 9
Cash	FVTPL
Short-term investments	FVTPL
Due from related parties	Amortized Cost
Accounts payable and other liabilities	Amortized Cost
Due to related parties	Amortized Cost

Financial assets

Financial assets are classified as either financial assets at FVTPL, amortized cost, or FVTOCI. The Company determines the classification of its financial assets at initial recognition.

Financial assets recorded at FVTPL

Financial assets are classified as FVTPL if they do not meet the criteria of amortized cost or FVTOCI. Gains or losses on these items are recognized in profit or loss.

Investments recorded at fair value through other comprehensive income (FVOCI)

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to measure the investment at FVOCI whereby changes in the investment's fair value (realized and unrealized) will be recognized permanently in OCI with no reclassification to profit or loss. The election is made on an investment-by-investment basis.

Amortized cost

Financial assets are classified as measured at amortized cost if both of the following criteria are met and the financial assets are not designated as at FVTPL: 1) the object of the Company's business model for these financial assets is to collect their contractual cash flows, and 2) the asset's contractual cash flows represent "solely payments of principal and interest".

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

Amortized cost

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Financial Instruments (continued)

Financial liabilities recorded FVTPL

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

Subsequent measurement

Instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in profit or loss. Instruments classified as amortized cost are measured at amortized cost using the effective interest rate method. Instruments classified as FVTOCI are measured at fair value with unrealized gains and losses recognized in other comprehensive income.

Derecognition

The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non- cash assets transferred or liabilities assumed, is recognized in profit or loss.

Financial instruments at fair value through profit and loss

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The carrying amount reflected above represents the Company's maximum exposure to credit risk for amounts receivable. As at May 31, 2021 and 2020, the Company did not hold financial instruments recorded at fair value that would require classification within the fair value hierarchy, except for cash (Level 1) and short-term investments (Level 1). The carrying value of the financial instruments noted above approximate their fair value due to the short-term nature of these instruments. The carrying value of the due to related parties also approximates its fair value.

(k) Impairment

The carrying amounts of the Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Impairment (continued)

For the purpose of 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 groups of assets (the “cash-generating unit”).

An impairment loss is recognized if the carrying amount of a cash-generating unit exceeds its estimated recoverable amount. The recoverable amount of an asset or a cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the assets. Impairment losses are recognized in net loss.

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

(l) Business Combinations

Business combinations are accounted for under the acquisition method. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Company, if any, at the date control is obtained. The consideration transferred includes the fair value of any liability resulting from a contingent consideration arrangement. Acquisition-related costs, other than share and debt issue costs incurred to issue financial instruments that form part of the consideration transferred, are expensed as incurred. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair value at the acquisition date. If a business combination is achieved in stages, the Company remeasures its previously held interest in the acquiree at its acquisition-date fair value and recognizes the resulting gain or loss, if any, in net income. Contingent consideration is classified as a provision and is measured at fair value, with subsequent changes recognized in income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity. New information obtained during the measurement period, up to 12 months following the acquisition date, about facts and circumstances existing at the acquisition date affect the acquisition accounting.

(m) Royalties

The Company earns royalties from small scale miners in Guyana. Small scale miners extract gold from the Company’s exploration interests and pay a royalty to the Company, which is in the form of physical gold. The Company will then deposit the royalty with the Guyana Gold Board. Royalties earned by the Company are also subject to a net smelter return (“NSR”), payable to the original property owners. Revenue received by the Guyana Gold Board is recognized net of the NSR, once the Company has deposited the royalty with the Guyana Gold Board and there is a reasonable expectation of collection.

Under IFRS 15, revenue is recognized at an amount that reflects the expected consideration receivable in exchange for transferring goods or services to a customer, applying the following five steps:

1. Identify the contract with a customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognize revenue when (or as) the entity satisfies a performance obligation

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Foreign currency translation

Transactions in foreign currencies other than the functional currency are translated into the functional currency using the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the period end exchange rate with the resulting gains and losses being recognized in the consolidated statements of operations and comprehensive loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are not retranslated.

The financial statements of foreign subsidiaries for which the functional currency is not the Canadian dollar are translated into Canadian dollars using the exchange rate in effect at the end of the reporting period for assets and liabilities and the average exchange rates for the period for revenue, expenses and cash flows. Foreign exchange differences arising on translation are recognized in other comprehensive income (loss) and in the cumulative transaction adjustment in shareholders' equity.

(o) New Accounting policies Adopted

Future accounting policies

IAS 1 Classification of Liabilities as Current or Non-Current (Amendment)

The IASB has published Classification of Liabilities as Current or Non-Current (Amendments to IAS 1) which clarifies the guidance on whether a liability should be classified as either current or non-current. The amendments:

- clarify that the classification of liabilities as current or non-current should only be based on rights that are in place "at the end of the reporting period"
- clarify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability
- make clear that settlement includes transfers to the counterparty of cash, equity instruments, other assets or services that result in extinguishment of the liability.

This amendment is effective for annual periods beginning on or after January 1, 2022 and is to be applied retrospectively. There is currently a proposal in place to extend effective date for annual periods beginning on or after January 1, 2023. Earlier application is permitted. The extent of the impact of adoption of this amendment has not yet determined.

Amendment to IAS 16 - Property, Plant and Equipment

In 2020, the IASB published Property, Plant and Equipment - Proceeds before Intended Use (Amendments to IAS 16) ("IAS 16 amendments") which applies to annual reporting periods beginning on or after January 1, 2022, with earlier application permitted. These IAS 16 amendments prohibit the deduction from the cost of an item of property, plant and equipment any net proceeds received from the sale of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, the Company recognizes the proceeds from the sale of such items, and the cost of producing those items in the consolidated statement of loss and comprehensive loss. The extent of the impact of adoption of this amendment has not yet been determined.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) New Accounting policies Adopted (continued)

Future accounting policies (continued)

Amendment to IFRS 3 – Business Combinations

On October 22, 2018, the IASB issued Definition of a Business (Amendments to IFRS 3: Business Combinations). The amendments to IFRS 3 are applicable for acquisitions occurring on or after January 1, 2020 and are adopted prospectively. These amendments to the implementation guidance of IFRS 3 clarify the definition of a business to assist entities to determine whether a transaction should be accounted for as a business combination or an asset acquisition. The amendments to IFRS 3 – Business Combinations may affect whether future acquisitions are accounted for as business combinations or asset acquisitions, along with the resulting allocation of the purchase price between the net identifiable assets acquired and goodwill. The Company does not expect any impact to the financial statements as a result of its adoption of the amendments to IFRS 3.

(p) Leases

All leases are accounted for by recognizing a right-of-use asset and a lease liability except for leases of low value assets and leases with a duration of twelve months or less. Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by the incremental borrowing rate on commencement of the lease is used. Right-of-use assets are amortized on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term. During the year ended May 31, 2021, amounts totaling $250,820 (May 31, 2020 - $74,220) were included in the statement of loss and comprehensive loss related to leases of short-term nature.

4. FINANCIAL INSTRUMENTS AND OBJECTIVES AND POLICIES

The Company manages its exposure to a number of different financial risks arising from operations as well as from the use of financial instruments, including market risks (foreign currency exchange rate and interest rate), credit risk and liquidity risk, through its risk management strategy. The objective of the strategy is to support the delivery of the Company's financial targets while protecting its future financial security and flexibility. Financial risks are primarily managed and monitored through operating and financing activities. The Company does not use derivative financial instruments. The financial risks are evaluated regularly with due consideration to changes in key economic indicators and to up-to-date market information. The Company’s risk exposures and the impact on the Company’s financial instruments are summarized below:

(a) Credit Risk

Credit risk is the financial risk of non-performance of a contracted counter party. The Company's credit risk is primarily attributable to cash, short-term investments and due from related parties. The Company reduces its credit risk by maintaining its cash with reputable financial institutions. The credit risk on related parties is nominal.

4. FINANCIAL INSTRUMENTS AND OBJECTIVES AND POLICIES (CONTINUED)

(b) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities as they come due. The Company's investment policy is to invest its excess cash in high grade investment securities with varying terms to maturity, selected with regard to the expected timing of expenditures for continuing operations. The Company monitors its liquidity position and budgets future expenditures, in order to ensure that it will have sufficient capital to satisfy liabilities as they come due.

As at May 31, 2021, the Company had current liabilities of $1,024,538 (May 31, 2020 - $958,539) and has cash of $2,037,445 (May 31, 2020 - $583,775) to meet its current obligations (see note 1 for going concern). The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

(c) Price Risk

Price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate or currency risk). The short-term investment held by the Company are subject to normal fluctuations and the risks inherent in investment in financial markets. The maximum risk resulting from financial instruments held by the Company are equivalent to the fair value of the financial instruments. Management moderates this risk by employing experienced management who oversee the investment activities of the Company and monitor the investments on a regular basis.

As at May 31, 2021, the impact of a plus or minus 10% change in the quoted market price of short-term investments held, with all other variables held constant, would affect reported loss and comprehensive loss by approximately $2,200 (May 31, 2020 - $500).

(d) Market Risk

Foreign Currency Risk

The Company's functional currency is the Canadian dollar. The Company has a subsidiary that has a functional currency in Guyanese dollars. Sensitivity to a plus or minus 5% change in the foreign exchange rate of the Guyanese dollar compared to the Canadian dollar would affect the Company's equity by $558,506 (2020 – $432,647) with all other variables held constant.

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company has no significant risk to future cash flows from interest rate risk. The Company does not use derivative instruments to reduce its exposure to interest rate risk.

5. CAPITAL MANAGEMENT

The Company considers its capital to consist of its shareholders' equity balance, which as at May 31, 2021, totaled $12,897,752 (May 31, 2020 - $19,591,525).

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 manages its capital structure in a manner that provides sufficient funding for operational activities. Funds are primarily secured through equity capital raised by way of private placements. There can be no assurance that the Company will be able to continue raising equity capital in the future.

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 major financial institutions.

There were no changes to the Company's approach to capital risk management during the year ended May 31, 2021 and the Company is not subject to any externally imposed capital requirements.

6. ACQUISITION OF BARTICA INVESTMENTS LTD.

On October 24, 2019, the Company completed a share exchange agreement with Bartica Investments Ltd. (which includes Bartica's only wholly owned subsidiary, Ontario Inc.) to acquire all of the issued and outstanding shares in Bartica in exchange for the issuance of 20,000,000 common shares of the Company (note 10).

Bartica Investments Limited ("Bartica"), through it's wholly-owned subsidiary, Ontario (a corporation incorporated pursuant to the laws of Guyana) holds a 100% registered and beneficial interest in properties located in Guyana known as the "Peters Mine" and "Aremu" properties, a suite of mineral exploration properties totaling approximately 25,888 acres in Guyana, South America.

The transaction did not constitute a business combination as Bartica did not meet the definition of a business under IFRS 3, Business Combinations. As a result, the transaction was accounted for as an acquisition of assets.

The acquisition has been measured using the fair value of the consideration transferred. The excess of the consideration transferred over the fair value of the other assets and liabilities has been allocated to the mineral properties.

The value of the common shares was based on the fair value of the shares on date of close (October 24, 2019).

(Expressed in Canadian Dollars)

6. ACQUISITION OF BARTICA INVESTMENTS LTD. (CONTINUED)

The purchase price allocation is set out as follows:

Consideration	
Issuance of 20,000,000 common shares	$ 5,400,000
Total consideration	**$ 5,400,000**

Allocation of purchase price:	
Cash	$ 99,345
Mining interests	5,253,763
Fixed assets	246,539
Accounts payable and accrued liabilities	(199,647)
Total	**$ 5,400,000**

7. SHORT-TERM INVESTMENTS

Short-term investments consist of marketable securities and Canadian Guaranteed Investments (“GICs”) which have been designate as FVTPL. As at each period end, short-term investments are recorded at fair value, with changes recognized in the statement of loss and comprehensive loss. The fair value of marketable securities are determined using the last bid price and the fair value of GICs are determined by reference to the risk-free market rate of interest at period end. Short-term investments are composed of the following:

May 31, 2021	**Number of securities**	**Cost**	**Fair Market Value**
Big River Gold Ltd. (1)	62,500	$ 211,604	$ 22,000
GIC's	-	50,000	50,000
	62,500	**$ 261,604**	**$ 72,000**

(1) Crusader Resources Limited changed its name to Big River Gold Ltd. and completed a 8 for 1 share consolidation.

May 31, 2020	**Number of securities**	**Cost**	**Fair Market Value**
Crusader Resources Limited	500,000	$ 211,604	$ 5,000
	500,000	**$ 211,604**	**$ 5,000**

During the year ended May 31, 2021, a gain (loss) on marketable securities totaling $17,000 (May 31, 2021 - $(5,000)) was recognized in the consolidated statements of loss and comprehensive loss.

8. AMOUNTS RECEIVABLE

May 31,	**2021**	**2020**
Receivables	**$ 2,238**	$ 820
Harmonized sales tax - Canada	**84,266**	14,579
Total	**$ 86,504**	$ 15,399

(Expressed in Canadian Dollars)

9. FIXED ASSETS

Cost	Furniture and equipment	Machinery and equipment	Vehicles	Total
Balance, May 31, 2019	$ **-**	$ **-**	$ **-**	$ **-**
Acquisition (note 6)	1,705	192,760	52,074	246,539
Additions	5,191	9,502	23,928	38,621
Foreign currency adjustment	255	14,431	4,430	19,116
Balance, May 31, 2020	**7,151**	**216,693**	**80,432**	**304,276**
Additions	1,758	18,356	49,298	69,412
Foreign currency adjustment	(990)	(27,795)	(13,002)	(41,787)
Balance, May 31, 2021	$ **7,919**	$ **207,254**	$ **116,728**	$ **331,901**

Accumulated Amortization	Furniture and equipment	Machinery and equipment	Vehicles	Total
Balance, May 31, 2019	$ **-**	$ **-**	$ **-**	$ **-**
Depreciation	438	23,200	11,860	35,498
Foreign currency adjustment	11	577	295	883
Balance, May 31, 2020	**449**	**23,777**	**12,155**	**36,381**
Depreciation	1,284	37,435	16,145	54,864
Foreign currency adjustment	(137)	(5,289)	(2,514)	(7,940)
Balance, May 31, 2021	$ **1,596**	$ **55,923**	$ **25,786**	$ **83,305**

Carrying amounts				
Balance, May 31, 2020	$ **6,702**	$ **192,916**	$ **68,277**	$ **267,895**
Balance, May 31, 2021	$ **6,323**	$ **151,331**	$ **90,942**	$ **248,596**

10. MINING INTERESTS

The Company enters into exploration agreements or permits with other companies or foreign governments under which it may explore or earn interests in mineral properties by issuing common shares and making an option or rental payments and incurring expenditures in varying amounts by varying dates. Failure by the Company to meet such requirements can result in a reduction or loss of the Company's ownership interests or entitlements under the agreements or permits.

(Expressed in Canadian Dollars)

10. MINING INTERESTS (CONTINUED)

	Sandy Lake Project	Guyana Project	Total
Balance, May 31, 2019	**$10,410,411**	**$ -**	**$10,410,411**
Acquisition of Ontario Inc.	-	5,253,763	5,253,763
Additions	1,383,834	3,431,539	4,815,373
Recovery of legal fees	(926,960)	-	(926,960)
Foreign currency adjustment	-	472,274	472,274
Balance, May 31, 2020	**10,867,285**	**9,157,576**	**20,024,861**
Additions	134,413	3,471,143	3,605,556
Spin-out of Sandy Lake Project [(a)]	(11,001,698)	-	(11,001,698)
Foreign currency adjustment	-	(1,344,998)	(1,344,998)
Balance, May 31, 2021	**$ -**	**$ 11,283,721**	**$ 11,283,721**

(a) Sandy Lake Project, Ontario, Canada

On November 20, 2020, the Company incorporated S2 Minerals Inc. ("S2"), a wholly owned subsidiary of G2 at the time, issuing one share to G2 in exchange for a nominal amount of cash.

On February 2, 2021, G2 and S2 entered into an arrangement agreement (the "Spin-Out Arrangement"), subject to approval by the Company's shareholders, to transfer its Sandy Lake Gold Properties to S2 in exchange for shares of S2 that are to be distributed pro-rata to the shareholders of G2.

On April 9, 2021, the Spin-Out Arrangement was completed, and the Sandy Lake Gold Properties were transferred to S2 in exchange for 12,655,667 common shares of S2, and immediately distributed to the shareholders of the Company on a pro-rata basis, with one share of S2 received for every ten shares of G2 held. In connection with the Spin-Out Arrangement, the carrying value of Sandy Lake Gold properties totaling $11,001,698 were derecognized, and the S2 shares were treated as a distribution of capital to the shareholders of the Company. In accordance with IFRIC 17, the distribution was valued at $1,265,567 based on the fair value of the common shares of S2 and the Company recorded a loss on spin-out of mining interests totaling $9,736,131 in the consolidated statement of loss and comprehensive loss for the year ended May 31, 2021.

(b) Guyana Projects, Guyana, South America

There are currently artisanal workings on one of the Guyana Project properties and the operators pay production royalties to the Company which are reflected as royalty revenue.

On October 24, 2019, the Company acquired 100% of the shares of Bartica (note 6). As a result of the acquisition, the Company acquired various prospecting and mining permits for the areas known as the Peters Mine and the Aremu properties. The Company also acquired an option agreement to acquire 100% of various mining permits known as the Oko property (the "Oko option agreement").

10. MINING INTERESTS (CONTINUED)

(b) Guyana Projects, Guyana, South America (continued)

The Oko Option Agreement

Through the Oko option agreement (which was executed on December 22, 2017), the Company has the right to acquire a 100% interest in 8 mining permits. The Oko option agreement is subject to the following payments to the Owner:

i. A cash payment of US$50,000 on the date of signing (paid by Ontario Inc.);
ii. US$100,000 on the first anniversary (paid by Ontario Inc.), US$200,000 on the second anniversary (paid), US$200,000 on the third anniversary (paid) and US$200,000 on the fourth anniversary.

Once the above payments are made and upon the notification to the Owner of the determination of gold resources greater than 250,000 ounces, the Company can exercise its option and is then subject to a Net Smelter Royalty (NSR) payment of US$1,000,000 to the Owner. After the exercise, the Company will be subject to a 2 ½% NSR on all marketable minerals derived from the properties. The Company can purchase this NSR through a US$5,000,000 cash payment to the owner.

The Jubilee Option Agreement

On November 19, 2019 the Company entered into the Jubilee option agreement. In accordance with the agreement, the Company has the right to acquire a 100% interest in 7 mining permits. The Jubilee option agreement is subject to the following payments to the Owner:

1. A cash payment of US$25,000 on the date of signing (paid);
2. US$50,000 on the first anniversary (paid), US$100,000 on the second anniversary, US$300,000 on the third anniversary.

Once the above payments are made and upon the notification to the Owner of the determination of gold resources greater than 150,000 ounces, the Company can exercise its option. After the exercise, the Company will be subject to a 2% NSR on all marketable minerals derived from the properties. The Company can purchase this NSR through a US$2,000,000 cash payment to the owner.

The Ghanie Option Agreement

On February 25, 2020 the Company entered into the Ghanie option agreement. In accordance with the agreement, the Company has the right to acquire a 100% interest in 4 mining permits. The Ghanie option agreement is subject to the following payments to the Owner:

1. A cash payment of US$15,000 on the date of signing (paid);
2. US$25,000 on the first anniversary (paid), US$100,000 on the second anniversary, US$75,000 on the third anniversary and US$100,000 on the fourth anniversary.

Once the above payments are made and upon the notification to the Owner of the determination of gold resources greater than 150,000 ounces, the Company can exercise its option. After the exercise, the Company will be subject to a 2% NSR on all marketable minerals derived from the properties. The Company can purchase this NSR through a US$2,000,000 cash payment to the owner.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL

Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Common shares issued

	Number of Shares	Share Capital
Balance, May 31, 2019	**66,983,991**	**$ 36,344,181**
Common shares issued for private placements	6,750,000	1,350,000
Warrants issued for private placements	-	(337,138)
Exercise of warrants	12,920,000	3,187,829
Common shares issued for Bartica acquisition (note 6)	20,000,000	5,400,000
Share issue costs	-	(14,293)
Balance, May 31, 2020	**106,653,991**	**45,930,579**
RSU's converted	200,000	34,000
Stock options exercised	1,650,000	941,410
Warrants exercised	8,341,230	2,920,192
Spin-out of Sandy Lake Project (note 10[a])	-	(1,265,567)
Common shares issued for private placements	9,711,537	3,772,001
Share issue costs	-	(318,770)
Balance May 31, 2021	**126,556,758**	**$ 52,013,845**

2020 activity

On October 24, 2019, the Company closed its acquisition of all the issued and outstanding shares of Bartica (note 6). As consideration for the acquisition the Company issued 20,000,000 common shares with a fair value of $0.27 per share.

On March 6, 2020 the Company close a private placement pursuant to which it issued 6,750,000 units for consideration of $1,350,000. Each unit consists of one common share and one half of a share purchase warrant. Each warrant entitles the holder to purchase a share for $0.35 for a period of 18 months. The fair value of the warrants was estimated using Black Scholes pricing, assuming a share price of $0.21, a dividend yield of zero, a risk-free interest rate of 0.7%, a volatility at 101% and an expected life of 1.5 years. The fair value assigned to the warrants was $337,138.

During the 2020 fiscal year, the Company issued 12,920,000 common shares from the exercise of warrants. As a result of the exercises, the Company increased their share capital balance by $3,187,829. The increase is from the $2,595,800 gross proceeds collected and the reclass of the fair value of the warrants of $592,029.

(Expressed in Canadian Dollars)

11. SHARE CAPITAL (CONTINUED)

2021 activity

On June 23, 2020, the Company closed its non-brokered private placement (the "Offering") pursuant to which it has issued an aggregate of 9,615,384 units ("Units") at a price of $0.52 per Unit to raise aggregate gross proceeds of approximately $5,000,000. Each Unit consists of one common share of the Company (a "Share") and one-half of one share purchase warrant (each whole such share purchase warrant, a "Warrant"), with each Warrant exercisable to acquire one additional Share at an exercise price of $1.00 for a period of 18 months from the closing of the Offering. In connection with the Offering, the Company paid a cash costs of $318,770, as well as a $50,000 finder's fee which was satisfied by the issuance of 96,153 Units. In addition, the Company issued to eligible registrants an aggregate of 517,366 broker warrants ("Broker Warrants"). Each Broker Warrant is exercisable to acquire one Unit at an exercise price of $0.52 for a period of 18 months from the closing of the Offering. The warrants were valued at $1,083,467 and broker warrants were valued at $144,532.

The fair value of the warrants and broker warrants was estimated using the Black-Scholes option pricing model with the following assumptions: share price of $1.04 for warrants and unit price of $0.52 for broker warrants; expected dividend yield of 0%; risk-free interest rate of 0.27%; volatility of 119.66% and an expected life of 1.5 years.

During the year ended May 31, 2021, 8,341,230 warrants with an exercise price between $0.20 and $0.40 were exercised for gross proceeds of $2,359,819. The fair value of the warrants exercised was $560,373 which was reallocated from warrants to share capital.

During the year ended May 31, 2021, 1,650,000 stock options with an exercise price between $0.18 and $0.40 were exercised for gross proceeds of $551,250. The fair value of the warrants exercised was $390,160 which was reallocated from contributed surplus to share capital.

During the year ended May 31, 2021, 200,000 RSU's were vested and the corresponding 200,000 common shares were issued from treasury. The fair value of the RSU's exercised was $34,000 which was reallocated from contributed surplus to share capital.

12. WARRANTS

	Number of Warrants	Weighted Average Exercise Price
Balance, May 31, 2019	**27,207,730**	**$ 0.25**
Issued	3,375,000	0.35
Exercised	(12,920,000)	0.20
Expired	(175,000)	0.20
Balance, May 31, 2020	**17,487,730**	**0.31**
Expired	(3,609,000)	0.40
Exercised	(8,341,230)	0.28
Issued	5,373,134	0.95
Balance May 31, 2021	**10,910,634**	**$ 0.59**

(Expressed in Canadian Dollars)

12. WARRANTS (CONTINUED)

Expiry Date	Adjusted Exercise Price ($)	Black Scholes / Fair Value ($)	Number of Warrants Outstanding
September 6, 2021	0.335	318,406	3,187,500
September 27, 2021	0.192	133,019	2,350,000
December 23, 2021	0.958	1,083,467	4,855,768
December 23, 2021	0.498	144,532	517,366
		1,679,424	**10,910,634**

The exercise prices of all of the warrants that were outstanding on April 9, 2021 (the effective date of the Spin-Out Arrangement) were adjusted in accordance with the terms of such warrants to reflect the special distribution of the shares of S2 in connection with the Spin-Out Arrangement. The adjusted exercise price for the warrants, which remains subject to the approval of the TSXV**,** is set out above (in the column “Adjusted Exercise Price ($)”).

13. STOCK OPTIONS

The Company has a formal stock option plan (the "Plan"). The number of shares reserved for issuance to any one insider, within a one-year period, pursuant to options must not exceed 5% of the outstanding issue. The number of shares reserved for issuance to insiders, within a one-year period, pursuant to options must not exceed 10% of the outstanding issue. The option price of the shares shall be fixed by the Board of Directors but must not be less than the closing sale price of the shares on the TSX-V on the day immediately preceding grant.

The Company issued stock options to acquire common shares as follows:

	Number of Stock options	Weighted Average Exercise Price ($)
Balance, May 31, 2019	**4,900,000**	**0.34**
Issued (i)(ii)(iii)	2,825,000	0.33
Balance, May 31, 2020	**7,725,000**	**0.34**
Issued (iv)(v)(vi)(vii)	2,350,000	0.62
Forfeited	(175,000)	0.40
Exercised (note 11)	(1,650,000)	0.33
Balance, May 31, 2021	**8,250,000**	**0.42**

(i) On August 19, 2019, the Company granted an aggregate of 1,100,000 stock options to directors and consultants pursuant to the Company's Plan. The options have an exercise price of $0.40 per share and an expiry date of August 19, 2022, and vesting as to 25% immediately and 25% after each of 6, 12 and 18 months after date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.26; expected dividend yield of 0%; risk-free interest rate of 1.31%; volatility of 154% and an expected life of 3 years. The fair value assigned to these options was $222,872.

13. STOCK OPTIONS (CONTINUED)

(ii) On October 18, 2019, the Company granted an aggregate of 625,000 stock options to employees and consultants pursuant to the Company's Plan. The options have an exercise price of $0.40 per share and an expiry date of October 18 2022, and vesting as to 25% immediately and 25% after each of 6, 12 and 18 months after date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.25; expected dividend yield of 0%; risk-free interest rate of 1.62%; volatility of 141% and an expected life of 3 years. The fair value assigned to these options was $113,555.

(iii) On March 11, 2020, the Company granted an aggregate of 1,100,000 stock options to employees, directors and consultants pursuant to the Company's Plan. The options have an exercise price of $0.21 per share and an expiry date of March 11, 2023. 700,000 of the options have vesting terms whereby 25% vest immediately and 25% vest after each of 6, 12 and 18 months after date of grant. 400,000 of the options have vesting terms whereby 1/3 of the options vest after each of 3, 9 and 15 months after the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.17; expected dividend yield of 0%; risk- free interest rate of 0.51%; volatility of 122% and an expected life of 3 years. The fair value assigned to these options was $127,441.

(iv) On August 13, 2020 the Company granted 1,000,000 stock options with an exercise price of $0.75 per share to two officers of the Company. The options expire on August 13, 2023 and vesting 25% immediately and 25% after each of 6, 12 and 18 months after date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.73; expected dividend yield of 0%; risk- free interest rate of 0.32%; volatility of 126% and an expected life of 3 years. The fair value assigned to these options was $526,352.

(v) On November 19, 2020, the Company granted an aggregate of 1,150,000 options to a director and consultants of the Company with such options being exercisable at a price of $0.52 per share until November 19, 2023 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.48; expected dividend yield of 0%; risk- free interest rate of 0.30%; volatility of 120% and an expected life of 3 years. The fair value assigned to these options was $380,425.

(vi) On December 8, 2020, the Company granted an aggregate of 125,000 options to a consultant of the Company with such options being exercisable at a price of $0.52 per share until December 8, 2023 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.49; expected dividend yield of 0%; risk- free interest rate of 0.32%; volatility of 120% and an expected life of 3 years. The fair value assigned to these options was $42,410.

(Expressed in Canadian Dollars)

13. STOCK OPTIONS (CONTINUED)

(vii) On March 18, 2021, the Company granted an aggregate of 75,000 options to a consultant of the Company with such options being exercisable at a price of $0.50 per share until March 18, 2024 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of $0.40; expected dividend yield of 0%; risk- free interest rate of 0.53%; volatility of 113% and an expected life of 3 years. The fair value assigned to these options was $19,158.

The following table reflects the actual stock options issued and outstanding as of May 31, 2021:

Expiry Date	Exercise Price ($)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)
October 19, 2021	0.30	0.39	1,325,000	1,325,000
April 12, 2022	0.40	0.87	1,750,000	1,750,000
August 19, 2022	0.40	1.22	900,000	900,000
October 18, 2022	0.40	1.38	625,000	625,000
March 6, 2023	0.18	1.76	225,000	225,000
March 11, 2023	0.21	1.78	1,075,000	766,667
August 13, 2023	0.75	2.20	1,000,000	500,000
November 19, 2023	0.52	2.47	1,150,000	575,000
December 8, 2023	0.52	2.52	125,000	31,250
March 18, 2024	0.50	2.80	75,000	18,750
Total	**0.42**		**8,250,000**	**6,716,667**

Total share-based compensation recognized in the consolidated statements of loss and comprehensive loss from the vesting of stock options during the year ended May 31, 2021 was $890,631 (2020 - $797,129).

14. LOSS PER SHARE

The calculation of basic and diluted loss per share for the year ended May 31, 2021 was based on the loss attributable to common shares of $12,915,460 (the year ended May 31, 2020 – $1,212,142) and the weighted average number of common shares outstanding of 120,706,737 (year ended May 31, 2020 – 88,428,881). Diluted loss did not include the effect of stock options, RSUs and warrants for the year ended May 31, 2021 and May 31, 2020, as they are anti-dilutive.

15. SEGMENTED INFORMATION

May 31, 2021	Canada	Guyana
Revenue	**$ -**	**$ 436,327**
Loss for the year	**$ (12,878,485)**	**$ (36,975)**
Total assets	**$ 2,260,797**	**$ 11,661,493**

May 31, 2020	Canada	Guyana
Revenue	**$ -**	**$ 497,262**
(Loss) income for the year	**$ (1,582,221)**	**$ 370,079**
Total assets	**$ 11,514,952**	**$ 9,431,022**

(Expressed in Canadian Dollars)

16. RESTRICTED SHARE UNITS (RSUs)

The Company has a formal restricted share unit plan (the "RSU Plan"). The maximum number of Shares available for issuance from treasury under this Plan shall be the lesser of (i) 7,300,000 Shares; and (ii) such number of Shares, when combined with all other Shares subject to grants made under the Company's other share compensation arrangements, as is equal to 10% of the aggregate number of Shares issued and outstanding from time to time.

The grant of RSUs under the Plan is subject to a restriction such that (i) the number of Restricted Share Units granted to Insiders of the Company within any one (1) year period, and (ii) the number of Shares reserved for issuance under Restricted Share Units granted to Insiders of the Company at any time, in each case under the Plan when combined with all of the Other Share Compensation Arrangements, shall not exceed 10% of the Company's total issued and outstanding Shares, respectively.

The total number of Restricted Share Units granted to any one individual under the Plan within any one year period shall not exceed 5% of the total number of Shares issued and outstanding at the Grant Date. The maximum number of Restricted Share Units which may be granted to any one Consultant within any one year period must not exceed in the aggregate 2% of the Shares issued and outstanding as at the Grant Date.

Movements in RSU's are summarized below:

	Number of RSUs
Balance, May 31, 2019	**-**
Granted	300,000
Balance, May 31, 2020	**300,000**
Granted	1,100,000
Exercised	(200,000)
Balance, May 31, 2021	**1,200,000**

On March 11, 2020 , the Company issued 300,000 RSU's to the Chief Financial Officer of the Company with a maturity date that is 15 months from the grant date. 1/3 of the RSUs vest after each 3, 9 and 15 months after the date of grant. The fair value of the RSU's granted was $51,000 and were valued based on the fair market value of one common share on the date of issuance.

On August 13, 2020 the Company issued 1,000,000 RSU's to two officers of the Company with a maturity date that is 15 months from the grant date. 1/3 of the RSUs vest after each 3, 9 and 15 months after the date of grant. The fair value of the RSU's granted was $730,000 and were valued based on the fair market value of one common share on the date of issuance.

On November 19, 2020 the Company issued 100,000 RSU's to a consultant of the Company with a maturity date that is 15 months from the grant date. 1/3 of the RSUs vest after each 3, 9 and 15 months after the date of grant. The fair value of the RSU's granted was $48,000 and were valued based on the fair market value of one common share on the date of issuance.

As of May 31, 2021, 1,200,000 RSUs were outstanding (May 31, 2020 – 300,000) and 700,000 RSUs were exercisable (May 31, 2020 – nil). Total share-based compensation recognized in the consolidated statement of loss and comprehensive loss from the vesting of RSUs during the year was $707,064 (May 31, 2020 - $22,988).

(Expressed in Canadian Dollars)

17. INCOME TAXES

Rate reconciliation

A reconciliation of actual income tax expense and the accounting loss multiplied by the Company's statutory tax rate of 26.5% (2020 - 26.5%) is as follows:

Years ended May 31,	2021	2020
Loss before income taxes	**$ (12,826,988)**	$ (1,212,142)
Expected income tax recovery based on statutory rate	**(3,399,152)**	(321,220)
Tax rate change and other adjustments	**7,107**	28,930
Share-based compensation and non-deductible expenses	**473,048**	119,900
Other adjustments	**-**	(49,740)
Utilization of losses not previously recognized	**-**	(75,080)
Change in deferred tax asset not recognized	**3,007,469**	297,210
Tax provision	**$ 88,472**	$ -

Unrecognised Deferred Tax Assets

Deferred taxes are provided as a result of temporary differences that arise due to the differences between the income tax values and the carrying amount of assets and liabilities. Deferred tax assets have not been recognized in respect of the following deductible temporary differences:

Deferred tax assets (liabilities)

Years ended May 31,	2021	2020
Property and equipment	**$ 69,485**	$ 14,620
Marketable securities	**189,604**	206,600
Share issue costs	**363,182**	85,940
Non-capital losses carried forward - Canada	**8,758,890**	7,259,640
Non-capital losses carried forward - Guyana	**1,450,636**	1,504,040
Non-capital losses carried forward - Barbados	**7,598**	7,150
Resource pods - mining interests	**10,366,394**	452,940
	21,205,789	9,530,930
Less: deferred tax assets not recognized	**(21,205,789)**	(9,530,930)
Net deferred income tax assets (liabilities)	**$ -**	$ -

(Expressed in Canadian Dollars)

17. INCOME TAXES (CONTINUED)

The Canadian non-capital loss carry forwards expire as noted in the table below. Share issue and financing costs will be fully amortized in 2025. The remaining deductible temporary differences may be carried forward indefinitely. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit will be available against which the group can utilize the benefits therefrom.

Loss Carry Forwards

The Company's Canadian non-capital income tax losses expire as follows:

Year	Amount
2030	$ 652,620
2031	612,690
2032	1,177,180
2033	1,016,030
2034	840,390
2035	575,640
2036	140,060
2037	113,820
2038	151,660
2039	782,240
2040	1,197,310
2041	1,499,250
	$ 8,758,890

The Company’s Barbados non-capital income tax losses can be carried forward for seven (7) years:

Year	Amount
2027	$ 7,150
2028	448
	$ 7,598

The Company's Guyana non-capital income tax losses can be carried forward indefinitely: $1,450,636 (2020 - $1,504,040).

(Expressed in Canadian Dollars)

18. RELATED PARTY TRANSACTIONS

The Company has identified its directors and certain senior officers as its key management personnel. The compensation cost for key management personnel is as follows:

May 31,		2021	2020
Salaries and fees	$	337,395	$ 263,820
Stock-based compensation		1,206,140	302,447
	$	**1,543,535**	**$ 566,267**

At May 31, 2021, accounts payable and accrued liabilities and amounts due to related parties includes $257,110 (May 31, 2020 - $395,910) owing to officers, directors and companies controlled by officers and directors. The amounts due to related parties bear no interest and are due and payable on demand beginning October 1, 2021.

Major shareholder

To the knowledge of the directors and senior officers of the Company, as at May 31, 2021, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than Patrick Sheridan, who owns 35,089,074 common shares (May 31, 2020 - 33,289,074) or 27.73% (May 31, 2020 - 31.21%) of the outstanding common shares.

19. SUBSEQUENT EVENTS

On June 25, 2021 the Company issued 60,000 RSU's to employees of the Company with a maturity date that is 15 months from the grant date. 1/3 of the RSUs vest after each 3, 9 and 15 months after the date of grant.

On June 25, 2021, the Company granted an aggregate of 50,000 options to an employee of the Company with such options being exercisable at a price of $0.50 per share until June 24, 2024 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant.

On July 27, 2021, the Company announced that Carmelo Marrelli has been appointed as the Company's Chief Financial Officer. Mr. Marrelli will succeed Paul Murphy, who has retired from the position. In connection with his appointment, Mr. Marrelli has been granted 150,000 options of the Company exercisable at a price of $0.50 per share until July 27, 2024 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant.

On August 25, 2021, the Company has granted an aggregate of 825,000 options to directors, officers, employees and consultants of the Company, with such options being exercisable at a price of $0.60 per share until August 25, 2024 and vesting as to one-quarter immediately and one-quarter after 6, 12 and 18 months respectively from the date of grant.

On August 25, 2021 the Company issued 100,000 RSU's to a consultant of the Company with a maturity date that is 15 months from the grant date. 1/3 of the RSUs vest after each 3, 9 and 15 months after the date of grant.

Subsequent to May 31, 2021, 400,000 stock options with an expiry date of March 11, 2023 and exercise price of $0.21 were exercised for gross proceeds of $84,000. In addition, 56,250 stock options with an expiry date of March 18, 2024 and exercise price of $0.50 were cancelled.

Subsequent to May 31, 2021, 3,175,000 warrants with an expiry date of September 6, 2021 were exercised. In addition, 2,350,000 warrants with an expiry date of September 27, 2021 were exercised.

On June 18, 2021, 100,000 RSU's were exercised resulting in the issuance of 100,000 common shares.