

**NEWRANGE GOLD CORP.**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**(Expressed in Canadian Dollars)**

**April 30, 2021**

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of  
Newrange Gold Corp.

### ***Opinion***

We have audited the accompanying consolidated financial statements of Newrange Gold Corp. (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2021 and 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, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

### ***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 audit 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 in our audits is sufficient and appropriate to provide a basis for our opinion.

### ***Material Uncertainty Related to Going Concern***

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a net loss of \$2,130,279 during the year ended April 30, 2021. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties and lenders, complete sufficient public equity financing, or generate profitable operations in the future. As stated in Note 1, these events and conditions 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 obtained at the date of this auditor's report includes 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 audit 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 audit, 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, 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 IFRS, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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.

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 Catherine Tai.

A handwritten signature in black ink that reads "Davidson & Company LLP". The signature is written in a cursive, flowing style.

Vancouver, Canada

Chartered Professional Accountants

August 30, 2021

**NEWRANGE GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian Dollars)

	April 30, 2021	April 30, 2020
<b>ASSETS</b>		
<b>Current</b>		
Cash	\$ 2,865,416	\$ 519,268
Receivables	39,646	6,874
Marketable securities (Note 8)	524,069	641,577
Assets held for sale (Note 15)	-	596,888
Prepaid expenses (Note 11)	153,849	69,742
	<u>3,582,980</u>	<u>1,834,349</u>
Right-of-use asset (Note 3)	5,139	19,789
Land and equipment (Note 4)	51,392	88,340
Mineral properties (Note 5)	1,890,509	1,376,069
	<u>3,582,980</u>	<u>1,834,349</u>
<b>TOTAL ASSETS</b>	<b>\$ 5,530,020</b>	<b>\$ 3,318,547</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Current</b>		
Accounts payable and accrued liabilities	\$ 100,543	\$ 86,105
Related party payables (Note 11)	108,240	247,378
Flow-through premium (Note 9)	250,000	-
Income tax payable	-	37,834
Liabilities held for sale (Note 15)	-	34,311
Lease liability (Note 3)	5,925	13,226
	<u>464,708</u>	<u>418,854</u>
Loan payable (Note 7)	40,000	-
Lease liability (Note 3)	-	8,006
	<u>40,000</u>	<u>8,006</u>
<b>TOTAL LIABILITIES</b>	<b>504,708</b>	<b>426,860</b>
<b>EQUITY</b>		
Share capital (Note 9)	31,607,935	27,528,270
Reserves (Note 9)	9,806,802	9,622,563
Deficit	(36,389,425)	(34,259,146)
	<u>5,025,312</u>	<u>2,891,687</u>
<b>TOTAL EQUITY</b>	<b>5,025,312</b>	<b>2,891,687</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 5,530,020</b>	<b>\$ 3,318,547</b>

Nature and continuance of operations (Note 1)

Subsequent event (Note 17)

Approved on behalf of the Board of Directors on August 27, 2021:

Signed: "Robert G. Carrington" Director      Signed: "Ron Schmitz" Director

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

**NEWRANGE GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**  
(Expressed in Canadian Dollars)  
YEARS ENDED APRIL 30, 2021 AND 2020

	2021	2020
<b>EXPENSES</b>		
Administration and office costs (Notes 11 and 14)	\$ 484,200	\$ 505,796
Depreciation of right-of-use asset (Note 3)	13,130	13,401
Exploration expenditures, net (Note 6)	2,866,964	986,439
Foreign exchange loss	19,995	6,619
Loss on debt settlement (Note 9)	-	6,853
Marketing services and shareholder information	379,629	499,802
Professional fees	59,236	104,742
Property investigation	-	10,701
Realized loss (gain) on marketable securities (Note 8)	33,756	(83,769)
Share-based compensation (Note 9)	177,100	305,900
Transfer agent and filing fees	44,626	47,194
Unrealized loss (gain) on marketable securities (Note 8)	124,591	(189,252)
Write-off of mineral properties (Note 5)	-	284,400
<b>Loss from continuing operation</b>	<b>(4,203,227)</b>	<b>(2,498,826)</b>
<b>Discontinued operations</b>		
Income from discontinued operation (Note 15)	2,072,948	138,650
<b>Net loss and comprehensive loss for the year</b>	<b>\$ (2,130,279)</b>	<b>\$ (2,360,176)</b>
<b>Basic and diluted Loss per common share – continuing operations</b>		
	<b>\$ (0.03)</b>	<b>\$ (0.02)</b>
<b>Basic and diluted Loss per common share – discontinuing operations</b>		
	<b>\$ 0.02</b>	<b>\$ 0.001</b>
<b>Weighted average number of common shares outstanding</b>		
<b>Basic</b>	<b>123,400,933</b>	<b>101,762,173</b>
<b>Diluted</b>	<b>123,400,933</b>	<b>101,762,173</b>

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

**NEWRANGE GOLD CORP.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian Dollars)  
YEARS ENDED APRIL 30,

	2021	2020
<b>CASH FLOWS FROM (TO)</b>		
<b>OPERATIONS</b>		
Net loss for the year from continuing operations	\$ (4,203,227)	\$ (2,498,826)
Adjustments for:		
Depreciation included in exploration expenditures	36,948	47,533
Depreciation of right-of-use asset	13,130	13,401
Foreign exchange	(138)	-
Realized gain on marketable securities	33,756	(83,769)
Share-based compensation	177,100	305,900
Unrealized loss (gain) on marketable securities	124,591	(189,252)
Write-off of mineral properties	-	284,400
Changes in non-cash working capital items:		
Receivables	(32,772)	(53,182)
Prepaid expenses	(84,107)	39,052
Accounts payable, accrued liabilities and related party	(124,700)	(42,344)
	(4,059,419)	(2,177,087)
<b>INVESTING</b>		
Acquisition of mineral properties	(439,190)	(326,845)
Purchase of equipment	-	(38,430)
Sale of marketable securities	1,329,150	284,409
	889,960	(80,866)
<b>FINANCING</b>		
Shares issued for cash	3,057,391	2,003,020
Share issue costs	(184,405)	(80,376)
Lease payments	(13,649)	(11,958)
Loans received	40,000	-
Shares issued for stock options exercised	116,968	211,272
Shares issued for warrants exercised	1,271,600	131,732
	4,287,905	2,253,690
<b>Change in cash – continuing operations</b>	1,118,446	(4,263)
<b>Change in cash – discontinuing operations (Note 15)</b>	1,227,702	342,307
<b>Cash held in assets held for sale</b>	-	(3,022)
<b>Cash at beginning of year</b>	519,268	184,246
<b>Cash at end of year *</b>	\$ 2,865,416	\$ 519,268
<i>*Includes cash of discontinued operations</i>		
<b>Supplementary cash flow information</b>		
Cash paid for interest and income taxes	\$ -	\$ -
<b>Non-cash financing and investing activities:</b>		
Fair value of stock options exercised	\$ 71,161	\$ 446,666
Fair value of finder's warrants	\$ 78,300	\$ 100,226
Flow-through premium	\$ 250,000	\$ -
Shares issued related to property acquisition	\$ 75,250	\$ 40,500
Shares for debt settlement	\$ -	\$ 75,388

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

**NEWRANGE GOLD CORP.**

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Expressed in Canadian Dollars)

YEARS ENDED APRIL 30, 2021 AND 2020

	Number of Shares	Share Capital	Reserves	Deficit	Total
<b>Balance at April 30, 2019</b>	91,024,487	\$ 24,599,842	\$ 9,863,555	\$ (31,898,970)	\$ 2,564,427
Shares issued for cash	18,593,000	2,003,020	-	-	2,003,020
Share issue costs	-	(99,451)	-	-	(99,451)
Share issue costs - shares	190,750	19,075	-	-	19,075
Share-based compensation	-	-	305,900	-	305,900
Shares issued for mineral properties	300,000	40,500	-	-	40,500
Shares issued for debt settlement	685,346	75,388	-	-	75,388
Shares issued – options exercised	2,640,903	657,938	(446,666)	-	211,272
Shares issued – warrants exercised	1,197,560	231,958	(100,226)	-	131,732
Loss for the year	-	-	-	(2,360,176)	(2,360,176)
<b>Balance at April 30, 2020</b>	114,632,046	27,528,270	9,622,563	(34,259,146)	2,891,687
Shares issued for cash	23,394,929	3,057,391	-	-	3,057,391
Share issue costs	-	(184,405)	-	-	(184,405)
Share issue costs - warrants	-	(78,300)	78,300	-	-
Shares issued – options exercised	1,462,097	116,968	-	-	116,968
Fair value – options exercised	-	71,161	(71,161)	-	-
Flow-through premium	-	(250,000)	-	-	(250,000)
Shares issued – warrants exercised	10,361,000	1,271,600	-	-	1,271,600
Shares issued for mineral properties	600,000	75,250	-	-	75,250
Share-based compensation	-	-	177,100	-	177,100
Loss for the year	-	-	-	(2,130,279)	(2,130,279)
<b>Balance at April 30, 2021</b>	150,450,072	\$ 31,607,935	\$ 9,806,802	\$ (36,389,425)	\$ 5,025,312

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



**NEWRANGE GOLD CORP.**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**1. NATURE AND CONTINUANCE OF OPERATIONS**

Newrange Gold Corp (“the Company or Newrange”) was incorporated under the *Business Corporations Act (B.C.)* on May 16, 2006. The consolidated financial statements of Newrange as at and for the year ended April 30, 2021 comprise the Company and its subsidiaries. Newrange is the ultimate parent of the consolidated group. The Company’s corporate and head office address is #510 – 580 Hornby Street, Vancouver, British Columbia, Canada, V6C 3B6. The Company’s shares are traded on the TSX Venture Exchange under the Symbol “NRG”.

On February 7, 2018, the Company began trading on the OTCQB Venture Market in the United States under the symbol NRGOF.

The Company is an exploration stage company focused on acquiring and exploring mineral properties in the United States and Canada.

These consolidated financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”), with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation for the foreseeable future. The operations of the Company were primarily funded by the issue of share capital and loans. The continued operations of the Company are dependent on its ability to develop a sufficient financing plan, receive continued financial support from related parties and lenders, complete sufficient public equity financing, or generate profitable operations in the future. These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that might be necessary should the Company be unable to continue in business.

The Company is in the business of exploring for minerals that by its nature involves a high degree of risk. There can be no assurance that current exploration programs will result in profitable mining operations. The recoverability of the carrying value of the mineral properties and the Company’s continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, the ability of the Company to obtain financing or, alternatively, upon the Company’s ability to dispose of its interest on an advantageous basis. Additionally, the Company estimates that it will need additional capital to operate for the upcoming year. These material uncertainties may cast significant doubt on the Company’s ability to continue as a going concern.

During the year ended April 30, 2021, the Company incurred a net loss of \$2,130,279 (2020 – \$2,360,176), and as at April 30, 2021, has a working capital of \$3,118,272 (2020 - \$1,415,495).

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company’s business or ability to raise funds.

## 2. SIGNIFICANT ACCOUNTING POLICIES

### Basis of Presentation

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments that have been measured at fair value. The consolidated financial statements are presented in Canadian dollars which is the functional currency of the Company and its subsidiaries.

In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The policies applied in the consolidated financial statements are presented below and are based on IFRS issued and effective as of August 27, 2021, the date the Board of Directors approved the consolidated financial statements.

### Basis of Consolidation

These consolidated financial statements include the accounts of the Company and the following subsidiaries:

<b>Name</b>	<b>Place of Incorporation</b>	<b>Principal Activity</b>	<b>Ownership April 30, 2021</b>	<b>Ownership April 30, 2020</b>
Newrange Gold Corp	British Columbia, Canada	Exploration company	100%	100%
0766888 BC Ltd.	British Columbia, Canada	Holding company	100%	100%
Colombian Investments (BVI) Corp.	British Virgin Islands	Holding company	100%	100%
Colombia Holdings (BVI) Ltd.	British Virgin Islands	Holding company	100%	100%
Corporacion Minera de Colombia S.A.	Colombia	Exploration company	NIL	100%
NR Gold LLC	United States	Exploration company	100%	100%
Pamlico Mines Ltd.	United States	Exploration company	100%	100%

Inter-company balances and transactions, including any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing the consolidated financial statements.

**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Foreign Currencies**

The Company's functional and presentation currency is the Canadian dollar. The individual financial statements of each group entity are measured in the currency of the primary economic environment in which the entity operates (its functional currency).

In preparing the financial statements of the individual entities, transactions in currencies other than an entity's functional currency (foreign currencies) are recorded at the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the exchange rates prevailing at the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss, unless the difference relates to an item that is recognized in other comprehensive income or loss, whereby the exchange difference would be recognized in other comprehensive income or loss and reclassified from equity to the statements of loss and comprehensive loss on disposal or partial disposal of the net investment. For the purpose of presenting consolidated financial statements, the Company has determined that the functional currency of its subsidiaries is the Canadian dollar.

**Financial Instruments**

The Company is required to classify its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate fair values:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and

Level 3 – Inputs that are not based on observable market data.

**Financial assets**

The Company classifies its financial assets in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income ("FVTOCI") or at amortized cost. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

*Financial assets at FVTPL*

Financial assets carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statement of loss and comprehensive loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial asset held at FVTPL are included in the statement of loss and comprehensive loss in the period in which they arise. Cash and marketable securities are classified as FVTPL.

*Financial assets at FVTOCI*

Investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income. There is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment.

**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

*Financial assets (continued)*

*Financial assets at amortized cost*

Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

Financial assets are derecognized when they mature or are sold, and substantially all the risks and rewards of ownership have been transferred. Gains and losses on derecognition of financial assets classified as FVTPL or amortized cost are recognized in the statement of loss and comprehensive loss. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income.

*Impairment of financial assets*

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the loss allowance for the financial asset is measured at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the loss allowance is measured for the financial asset at an amount equal to twelve months of expected credit losses. For trade receivables, the Company applies the simplified approach to providing for expected credit losses, which allows the use of a lifetime expected loss provision. Impairment losses on financial assets carried at amortized cost are reversed in subsequent periods if the amount of the loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized. Given the nature and balances of the Company's receivables, the Company has no material loss allowance at adoption or as at April 30, 2021.

*Financial liabilities*

The Company classifies its financial liabilities into one of two categories as follows:

*Fair value through profit or loss*

This category comprises derivatives and financial liabilities incurred principally for the purpose of selling or repurchasing in the near term. They are carried at fair value with changes in fair value recognized in profit or loss.

*Financial liabilities at amortized cost*

This category consists of liabilities carried at amortized cost using the effective interest method. These financial liabilities are initially recognized at fair value less directly attributable transaction costs.

The following table summarizes the clarification for each class of the Company's financial assets and financial liabilities:

	IFRS 9 Classification
Cash	Amortized cost
Receivables	Amortized cost
Marketable securities	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Related party payables	Amortized cost
Loan payable	Amortized cost
Lease liability	Amortized cost

**NEWRANGE GOLD CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)*****Financial liabilities (continued)*****Cash**

Cash in the statement of financial position consists of cash at banks and on hand.

**Land and Equipment**

Equipment is carried at cost, less accumulated depreciation and accumulated impairment losses. The cost of an item of equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located. Depreciation is provided at rates calculated to write off the cost of equipment, less their estimated residual value, using the straight-line method over three to five years. Land is carried at cost less accumulated impairment losses.

An item of equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in profit or loss in the consolidated statement of loss and comprehensive loss.

**Mineral Properties and Exploration and Evaluation Expenditures**

Acquisition costs for mineral properties, net of recoveries, are capitalized on a property-by-property basis. Acquisition costs include cash consideration and the value of common shares, based on recent issue prices, issued for mineral properties pursuant to the terms of the agreement. Exploration and evaluation expenditures, net of recoveries, are charged to operations as incurred. After a property is determined by management to be commercially viable, exploration and evaluation expenditures on the property are capitalized.

A mineral property acquired under an option agreement, where payments are made at the sole discretion of the Company, is capitalized at the time of payment. Option payments received are treated as a reduction of the carrying value of the related acquisition cost for the mineral property until the payments are in excess of acquisition costs, at which time they are then credited to operations. Option payments are at the discretion of the optionee and, accordingly, are accounted for when receipt is reasonably assured. Capitalized acquisition costs are assessed for impairment if facts and circumstances suggest that the carrying amount exceeds the recoverable amount. When there is little prospect of further work on a property being carried out by the Company or its partners, when a property is abandoned, or when the capitalized costs are no longer considered recoverable, the related property costs are written down to management's estimate of their net recoverable amount.

**NEWRANGE GOLD CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****Impairment of Non-Financial Assets**

At each statement of financial position reporting date, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is an indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the assets belong.

The recoverable amount is the higher of fair value less costs to sell and value in use. 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 assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the statement of loss and comprehensive loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years.

**Restoration, Rehabilitation and Environmental Obligations**

An obligation to incur restoration, rehabilitation and environmental costs arises 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 using a pre-tax rate that reflect the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either the unit-of-production or the straight line method. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation. Costs for restoration of subsequent site damage which is created on an ongoing basis during production are provided for at their net present values and charged against profits as extraction progresses. The Company has no material restoration, rehabilitation and environmental costs as the disturbance to date is minimal.

**Provisions**

Provisions are recorded when a present legal or constructive obligation exists as a result of past events where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount receivable can be measured reliably.

**NEWRANGE GOLD CORP.**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Leases**

At inception, the Company assesses whether a contract contains an embedded lease. A contract contains a lease when the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration.

The Company, as lessee, is required to recognize a right-of-use asset ("ROU asset"), representing its right to use the underlying asset, and a lease liability, representing its obligation to make lease payments.

The Company may elect to not apply IFRS 16 to leases with a term of less than 12 months or to low value assets, which is made on an asset by asset basis.

The Company recognizes a ROU asset and a lease liability at the commencement of the lease. The ROU asset is initially measured based on the present value of lease payments, plus initial direct cost, less any incentives received. It is subsequently measured at cost less accumulated amortization, impairment losses and adjusted for certain remeasurements of the lease liability. The ROU asset is amortized from the commencement date over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. The incremental borrowing rate is the rate which the operation would have to pay to borrow over a similar term and with similar security, the funds necessary to obtain an asset of similar value to the ROU asset in a similar economic environment.

Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or a rate, a change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

Variable lease payments that do not depend on an index or a rate not included in the initial measurement of the ROU asset and lease liability are recognized as an expense in profit or loss in the period in which they are incurred.

The ROU assets are presented within "Right-of-use assets" and the lease liabilities are presented in "Current Portion of Lease liability" and "Non-Current Portion of Lease Liability" on the statement of financial position.

## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **Government grants**

Government grants are recognized when there is a reasonable assurance that the grant will be received, and all conditions associated with the grant are met. Effective May 1, 2020, the Company adopted IAS 20 in connection with the government loan received in connection with the COVID19 pandemic.

### **Share Capital**

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity.

The Company has adopted a residual value method with respect to the measurement of shares and warrants issued as private placement units. The residual value method first allocates value to the more easily measurable component based on fair value and then the residual value, if any, to the less easily measurable component. The Company considers the fair value of common shares issued in a private placement to be the more easily measurable component and the common shares are valued at their fair value, as determined by the closing quoted bid price on the announcement date. The balance, if any, is allocated to the attached warrants. Any fair value attributed to the warrants is recorded to reserves.

### **Flow-through shares**

Canadian Income Tax legislation permits an enterprise to issue securities referred to as flow-through shares, whereby the investor can claim the tax deductions arising from the renunciation of the related resource expenditures. The Company accounts for flow-through shares whereby the premium paid for the flow-through shares in excess of the market value of the shares without flow-through features at the time of issue is credited to other liabilities and included in profit or loss at the same time the qualifying expenditures are made.

### **Share-based Payment Transactions**

The stock option plan allows Company employees and consultants to acquire shares of the Company. Under IFRS, the definition of employees has been broadened to include consultants who do work that would normally be done by employees. Under this definition, all of the Company's consultants are considered to be employees for the purposes of determining the value of share-based payments.

Share-based payments to employees are measured at the fair value of the instruments issued and are amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of the goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The amount recognized as an expense is adjusted to reflect the number of awards expected to vest. The offset to the recorded cost is to reserves. When options are exercised the consideration received is recorded as share capital. In addition, the related share-based payments originally recorded in reserves are transferred to share capital. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee.

The fair value is measured at grant date and each tranche is recognized over the period the options vest. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted. At each financial position reporting date, the amount recognized as an expense is adjusted to reflect the actual number of stock options that are expected to vest.



## **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **Income Taxes**

Income tax on profit or loss for the periods 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 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 provided using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable profit; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. 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 enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset 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.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to the offset of 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.

### **Earnings (Loss) per Share**

The Company presents basic and diluted earnings (loss) per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the period. The dilutive effect on earnings per share is calculated presuming the exercise of outstanding options, warrants and similar instruments. It assumes that the proceeds of such exercise would be used to repurchase common shares at the average market price during the year. However, the calculation of diluted loss per share excludes the effects of various conversions and exercise of options and warrants that would be anti-dilutive.

### **Segment Reporting**

The Company's head office is in Canada and it has operations in United States. The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

### **Judgments and Estimates**

The preparation of these consolidated financial statements requires management to make judgments and estimates 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.

**NEWRANGE GOLD CORP.**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**2. SIGNIFICANT ACCOUNTING POLICIES** (continued)

**Judgments and Estimates** (continued)

The Company has to make judgments which include but are not limited to the following:

- a) Whether facts or circumstances suggest that the carrying value of assets such as its receivables or mineral properties exceed the recoverable amount and, if so, the asset is tested for impairment.
- b) The functional currency for each of the Company's subsidiaries is the currency of the primary economic environment in which the entity operates. Determination of functional currency involves certain judgments to determine the primary economic environment and the Company reconsiders the functional currency when changes in circumstances may affect the primary economic environment.
- c) Judgment is required in determining whether an asset meets the criteria for classification as "assets held for sale" in the consolidated statement of financial position. Criteria considered by management include the existence of and commitment to a plan to dispose of the assets, the expected selling price of the assets, the expected timeframe of the completion of the anticipated sale and the period of time any amounts have been classified within assets held for sale. The Company reviews the criteria for assets held for sale each period and reclassifies such assets to or from this financial position category as appropriate. In addition, there is a requirement to periodically evaluate and record assets held for sale at the lower of their carrying value and fair value less costs to sell.

These consolidated financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the consolidated financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- a) the carrying value of the investment in mineral properties and the recoverability of the carrying value;
- b) the estimated useful lives of equipment and the related depreciation;
- c) the inputs used in accounting for share-based payments expense; and
- d) the provision for deferred income tax expense and deferred income tax assets and liabilities.

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**3. RIGHT OF USE ASSET AND LEASE LIABILITY**

For the year ending April 30, 2021, depreciation of the right of use asset was \$13,130. The right of use asset is depreciated on a straight-line basis over the term of the lease.

Right of use asset, May 1, 2019	\$	32,620
Depreciation		(13,401)
Foreign exchange		570
Right of use asset, April 30, 2020		19,789
Depreciation		(13,130)
Foreign exchange		(1,520)
Right of use asset, April 30, 2021	\$	5,139

For the year ending April 30, 2021, finance charges on the lease liability were \$2,059 (included in interest and bank charges in the consolidated statement of loss and comprehensive loss). The lease term matures on October 31, 2021.

Lease liabilities, May 1, 2019	\$	32,620
Payments		(16,033)
Finance costs		4,075
Foreign exchange		570
Lease liabilities, April 30, 2020		21,232
Payments		(15,708)
Finance costs		2,059
Foreign exchange		(1,658)
Lease liabilities, April 30, 2021	\$	5,925

	April 30, 2021
Less than one year	\$ 5,925
Greater than one year	-
Total lease liabilities, April 30, 2021	\$ 5,925

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**4. LAND AND EQUIPMENT**

	<b>Field Equipment</b>	<b>Land</b>	<b>Vehicle</b>	<b>Total</b>
<b>Cost</b>				
As at April 30, 2019	\$ 392,987	\$ 55,854	\$ 22,210	\$ 471,051
Additions	-	-	38,430	38,430
Held for sale assets (Note 15)	(205,457)	(55,854)	-	(261,311)
As at April 30, 2020	187,530	-	60,640	248,170
Additions	-	-	-	-
As at April 30, 2021	\$ 187,530	\$ -	\$ 60,640	\$ 248,170
<b>Accumulated depreciation</b>				
As at April 30, 2019	\$ 314,888	\$ -	\$ 2,866	\$ 317,754
Held for sale assets (Note 15)	(205,457)	-	-	(205,457)
Additions	36,188	-	11,345	47,533
As at April 30, 2020	145,619	-	14,211	159,830
Additions	20,751	-	16,197	36,948
As at April 30, 2021	\$ 166,370	\$ -	\$ 30,408	\$ 196,778
<b>Net book value</b>				
As at April 30, 2020	\$ 41,911	\$ -	\$ 46,429	\$ 88,340
As at April 30, 2021	\$ 21,160	\$ -	\$ 30,232	\$ 51,392

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**5. MINERAL PROPERTIES**

	April 30, 2020	Additions	April 30, 2021
Pamlico, USA	\$ 1,285,569	\$ 339,190	\$ 1,624,759
Western Fold, Canada	51,750	119,000	170,750
H Lake, Canada	38,750	56,250	95,000
	\$ 1,376,069	\$ 514,440	\$ 1,890,509

	April 30, 2019	Additions	Recovery	Asset held for sale (Note 15)	Impairment	April 30, 2020
Pamlico, USA	\$ 958,724	\$ 326,845	\$ -	\$ -	\$ -	\$ 1,285,569
Rocky Mountain, USA	284,400	-	-	-	(284,400)	-
Yarumalito, Colombia	1,321,740	-	(837,465)	(484,275)	-	-
Western Fold, Canada	-	51,750	-	-	-	51,750
H Lake, Canada	-	38,750	-	-	-	38,750
	\$ 2,564,864	\$ 417,345	\$ (837,465)	\$ (484,275)	\$ (284,400)	\$ 1,376,069

**Pamlico, Nevada, USA**

On July 15, 2016, the Company entered into an option agreement, subsequently amended, to purchase a 100% undivided interest in the Pamlico gold project in Nevada. To earn the interest, the Company must make payments totaling US\$7,500,000.

- i) US\$50,000 (paid \$65,003);
- ii) US\$9,000 (paid \$12,049);
- iii) US\$16,000 (paid \$21,311);
- iv) US\$125,000 (paid \$163,077);
- v) US\$250,000 (paid \$324,667);
- vi) US\$100,000 (paid \$131,512);
- vii) US\$150,000 on or before August 31, 2018 (paid \$197,709);
- viii) US\$250,000 on or before July 15, 2019 (paid \$326,845);
- ix) US\$250,000 on or before July 15, 2020 (paid \$339,190);
- x) US\$250,000 on or before July 15, 2021 (paid subsequently)
- xi) US\$250,000 on or before July 15, 2022 to 2044; and
- xi) US\$300,000 on or before July 15, 2044.

Upon production, the Company must pay an annual payment of US\$250,000, or a 4% Net Smelter Return ("NSR") royalty, whichever is greater. The Company may reduce the NSR royalty to 1% by paying the optionor US\$1,000,000 per percentage point. The Company will maintain the claims in good standing and pay any associated maintenance fees.

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**5. MINERAL PROPERTIES** (continued)**Rocky Mountain, Colorado, USA**

During the year ended April 30, 2017, the Company acquired a 100% interest in the Rocky Mountain project in Colorado by issuing 200,000 shares valued at \$44,000. The Company also issued 1,700,000 share purchase warrants exercisable at \$0.17 per share valued at \$240,400. During the year ended April 30, 2020, the Company wrote-off \$284,400 of the carrying value of the Rocky Mountain project to \$Nil.

**Yarumalito, Colombia**

During the year ended April 30, 2020, the Company entered into an agreement to sell 100% of its interest in Yarumalito to GoldMining Inc. ("GOLD") for \$200,000 (received in fiscal 2020) and 1,118,359 GOLD shares (559,180 shares with a value of \$637,465 received in fiscal 2020; remaining 559,180 shares with a value of \$1,369,989 received in fiscal 2021). The sale was completed in fiscal 2021 with a gain on sale of \$885,714. The Company was also granted a 1% NSR royalty which can be purchased by GOLD for total consideration of \$1,000,000.

**El Dovio, Colombia**

During the year ended April 30, 2014, the Company acquired land known as the El Dovio property in Colombia.

During the year ended April 30, 2021, the Company completed the sale of its Colombian subsidiary (Note 15), which included its El Dovio property.

**Western Fold, Canada**

On December 23, 2019, the Company entered into an option agreement to purchase a 100% interest in the Western Fold Property in the Red Lake Mining Division of Northwestern Ontario. To earn the interest, the Company must make payments totaling \$200,000 and issue 1,000,000 common shares over a two year period, as follow:

- i) \$30,000 (paid);
- ii) \$70,000 on or before December 23, 2020 (paid);
- iii) \$100,000 on or before December 23, 2021;
- iv) 150,000 shares (issued at a value of \$21,750);
- v) 350,000 shares on or before December 23, 2020 (issued at a value of \$49,000); and
- vi) 500,000 shares on or before December 23, 2021.

The option agreement is subject to a 2% NSR royalty. The Company may reduce the NSR royalty to 1% by paying the optionor \$1,000,000 at any time.

**NEWRANGE GOLD CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**5. MINERAL PROPERTIES (continued)****H Lake, Canada**

On January 13, 2020, the Company entered into an option agreement to purchase a 100% interest in the H Lake Property in the Red Lake Mining Division, Ontario. To earn the interest, the Company must make payments totaling \$50,000 and issue 400,000 common shares. During the year ended April 30, 2021, the Company exercised the option and now owns a 100% interest in the H Lake property subject to the NSR royalty below.

- i) \$20,000 (paid);
- ii) \$30,000 on or before January 13, 2021 (paid);
- iii) 150,000 shares (issued at a value of \$18,750); and
- iv) 250,000 shares on or before January 13, 2021 (issued at a value of \$26,250).

The option agreement is subject to a 2% NSR royalty. The Company may reduce the NSR royalty to 1% by paying the optionor \$1,000,000 at any time.

**6. EXPLORATION EXPENSES**

Exploration expenditures incurred during the year ended April 30, 2021 were as follows:

<b>2021</b>	Pamlico	Western Fold	H Lake	Total
Administration, consultants and salaries	\$ 450,128	\$ 18,756	\$ 4,689	\$ 473,573
Assaying	227,723	100,819	25,205	353,747
Drilling	1,240,130	-	-	1,240,130
Field costs and travel	775,744	19,016	4,754	799,514
	\$ 2,693,725	\$ 138,591	\$ 34,648	\$ 2,866,964

Exploration expenditures incurred during the year ended April 30, 2020 were as follows:

<b>2020</b>	Pamlico	Western Fold	H Lake	Total
Administration, consultants and salaries	\$ 444,346	\$ 21,240	\$ 5,310	\$ 470,896
Assaying	257,511	-	-	257,511
Field costs and travel	257,946	68	18	258,032
	\$ 959,803	\$ 21,308	\$ 5,328	\$ 986,439

**NEWRANGE GOLD CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**7. LOAN PAYABLE**

During the year ended April 30, 2021, the Company received a loan of \$40,000 for the Canada Emergency Business Account to provide emergency support to business due to the impact of COVID-19. The loan is non-interest bearing until December 31, 2022, after which it will incur interest at 5% per annum. If principal of \$30,000 is fully repaid on or before December 31, 2022, the remaining \$10,000 will be forgiven.

**8. MARKETABLE SECURITIES**

During the year ended April 30, 2019, the Company acquired 100,000 shares (valued at \$47,500) of MAX Resources Corp. ("MAX") in exchange for services provided and recorded an unrealized loss of \$32,000 from changes in the fair value.

During the year ended April 30, 2021, the Company valued the MAX shares at \$3,833 (2020 - \$1,666) and recorded an unrealized gain of \$2,167 (2020 – loss of \$13,833) from changes in the fair value.

During the year ended April 30, 2020, the Company received 559,180 shares (valued at \$637,466) of GOLD in connection with the pending sale of the Yarumalito property (Note 5). The Company sold 176,000 shares for \$284,409 resulting in a realized gain on marketable securities of \$83,769. At April 30, 2020, the Company valued the remaining shares at \$639,911 and recorded an unrealized gain of \$203,085 from changes in the fair value. During the year ended April 30, 2021, the Company sold 383,180 shares for \$713,441 resulting in a realized gain on marketable securities of \$73,530.

During the year ended April 30, 2021, the Company received 559,179 shares (valued at \$1,369,989) of GOLD and concluded the sale of the Yarumalito property (Note 5). The Company sold 295,100 shares for \$615,709 resulting in a realized loss on marketable securities of \$107,286. At April 30, 2021, the Company valued the remaining shares at \$520,236 and recorded an unrealized loss of \$126,758.

**9. EQUITY****(a) Share capital**

Authorized share capital consists of an unlimited number of common shares without par value.

**(b) Share Issuances**

During the year ended April 30, 2021, the Company:

- i) issued 1,462,097 common shares upon exercise of options for gross proceeds of \$116,968, resulting in a reallocation of share-based reserves of \$71,161 from reserves to share capital.
- ii) issued 10,361,000 common shares upon exercise of warrants for gross proceeds of \$1,271,600.
- iii) issued 350,000 common shares at a value of \$49,000 pursuant to the acquisition of the Western Fold Property (Note 5).
- iv) issued 250,000 common shares at a value of \$26,250 pursuant to the acquisition of the H Lake Property (Note 5).



**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

---

**9. EQUITY** (continued)

## (b) Share Issuances (continued)

- v) closed a flow-through non-brokered private placement of 6,250,000 units at \$0.16 per flow-through unit for gross proceeds of \$1,000,000. Each unit consists of one common share of the Company and one-half share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of two years at a price of \$0.25. Cash finder's fees or commissions in the amount of \$70,000 were paid on the financings and the Company issued 232,167 share purchase finders warrants valued at \$11,300. Each finders warrant entitles the holder to purchase one common share at a price of \$0.25 for a two-year period. A value of \$250,000 was attributed to the flow-through premium liability in connection with the financing.
- vi) closed the first tranche of a non-brokered private placement of 5,878,332 units at \$0.12 per unit for gross proceeds of \$705,400. Each unit consists of one common share of the Company and one-half share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of two years at a price of \$0.25. The Company paid \$27,860 in finders' fees and issued 625,000 share purchase finders warrants valued at \$39,700. Each Finders Warrant entitles the holder to acquire one unit at a price of \$0.16 for a two-year period. Each unit consists of one common share of the Company and one-half share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of two years at a price of \$0.25.
- vii) closed the second and final tranche of a non-brokered private placement of 11,266,597 units at \$0.12 per unit for gross proceeds of \$1,351,991. Each unit consists of one common share of the Company and one-half share purchase warrant. Each warrant entitles the holder to purchase one common share for a period of two years at a price of \$0.25. The Company paid \$69,706 in finders' fees and issued 568,050 share purchase finders warrants valued at \$27,300. Each finders warrant entitles the holder to purchase one common share at a price of \$0.25 for a two-year period.

During the year ended April 30, 2020, the Company:

- i) closed a non-brokered private placement of 3,593,000 units at \$0.14 per unit for gross proceeds of \$503,020. Each unit consists of one common share and one-half share purchase warrant entitling the holder to purchase one additional common share for a period of two years at a price of \$0.20 per share. The Company paid \$14,226 in finders' fees.
- ii) issued 2,640,903 common shares upon exercise of options for gross proceeds of \$211,272 resulting in a reallocation of share-based reserves of \$446,666 from reserves to share capital.
- iii) issued 1,197,560 common shares upon exercise of warrants for gross proceeds of \$131,732 resulting in a reallocation of share-based reserves of \$100,226 from reserves to share capital.
- iv) closed the first tranche of a non-brokered private placement of 10,050,000 common shares for gross proceeds of \$1,005,000. The Company paid \$38,500 and issued 105,000 shares (valued at \$10,500) in finders' fees.
- v) issued 150,000 shares at a value of \$21,750 pursuant to the acquisition of the Western Fold Property (Note 5).
- vi) closed the second and final tranches of the non-brokered private placement of 4,950,000 common shares for gross proceeds of \$495,000. The Company paid \$27,650 and issued 85,750 shares (valued at \$8,575) in finders' fees.
- vii) issued 150,000 shares at a value of \$18,750 pursuant to the acquisition of the H Lake Property (Note 5).

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**9. EQUITY (continued)**

## (b) Share Issuances (continued)

viii) issued 685,346 common shares at \$0.11 per share at a value of \$75,388 to settle accounts payable of \$68,535 resulting in a loss of \$6,853 on the settlement of debt.

## (c) Stock options

The Company adopted a stock option plan (the "Plan") pursuant to the policies of the TSX Venture Exchange. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company at any time. The vesting terms are determined at the time of grant. The continuity of stock options for the year ended April 30, 2021 and 2020 is as follows:

	April 30, 2021		April 30, 2020	
	Number of stock options	Weighted average exercise price	Number of stock options	Weighted average exercise price
Outstanding, beginning of year	6,024,000	\$ 0.13	5,995,000	\$ 0.14
Granted	2,113,500	0.14	3,499,903	0.14
Exercised	(1,462,097)	0.08	(2,640,903)	0.08
Expired/cancelled	(682,000)	0.19	(830,000)	0.46
Outstanding, end of year	5,993,403	\$ 0.14	6,024,000	\$ 0.13

The following table summarizes information about stock options outstanding and exercisable at April 30, 2021:

Exercise prices	Number outstanding	Expiry date	Number exercisable
\$0.08	200,000	29-March-22	200,000
\$0.14	150,000	16-December-22	37,500
\$0.14	2,346,403	23-December-22	2,346,403
\$0.14	1,133,500	24-February-23	1,133,500
\$0.14	1,963,500	8-February-24	1,963,500
\$0.17	200,000	8-April-24	200,000
	5,993,403		5,880,903

## (d) Share-Based Compensation

During the year ended April 30, 2021, the Company:

- i) granted 150,000 stock options to a consultant of the Company. The options are exercisable at \$0.14 per option for 24 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$11,200. The options vest as follows: 25% on grant date and 25% every three months thereafter..
- ii) granted 1,963,500 stock options to directors, officers, employees and consultants of the Company. The options are exercisable at \$0.14 per option for 24 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$165,900. The options were fully vested on the grant date.

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**9. EQUITY (continued)**

## (c) Share-Based Compensation (continued)

During the year ended April 30, 2020, the Company:

- i) granted 2,366,403 stock options to directors, officers, employees and consultants of the Company. The options are exercisable at \$0.14 per option for 36 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$207,100. The options were fully vested on the grant date.
- ii) granted 1,133,500 stock options to directors, officers and consultants of the Company. The options are exercisable at \$0.14 per option for 36 months. The options were valued using the Black-Scholes option pricing model resulting in share-based compensation of \$98,800. The options were fully vested on the grant date.

The options granted during the year ended April 30, 2021 and 2020 were valued using the Black-Scholes option pricing model with the following weighted average grant date assumptions:

	Year ended April 30, 2021	Year ended April 30, 2020
Weighted average grant date fair value	\$0.14	\$0.137
Weighted average risk-free interest rate	0.18%	1.59%
Expected dividend yield	0%	0%
Weighted average stock price volatility	104%	105%
Weighted average forfeiture rate	0%	0%
Weighted average expected life of options in years	2.93	3.00

## (e) Warrants

The continuity of share purchase warrants for the year ended April 30, 2021 and 2020 are as follows:

Expiry Date	Exercise Price	Balance, April 30, 2020	Issued	Exercised	Expired/ cancelled	Balance, April 30, 2021
October 26, 2020	\$ 0.12	11,157,500	-	(10,007,500)	(1,150,000)	-
June 21, 2021*	\$ 0.20	1,796,500	-	(353,500)	-	1,443,000
November 15, 2021	\$ 0.17	1,700,000	-	-	-	1,700,000
April 16, 2023	\$ 0.25	-	6,296,333	-	-	6,296,333
April 16, 2023	\$ 0.25	-	625,000	-	-	625,000
April 28, 2023	\$ 0.25	-	6,201,347	-	-	6,201,347
		14,654,000	13,122,680	(10,361,000)	(1,150,000)	16,265,680
<i>Weighted average exercise price</i>		\$ 0.14	\$ 0.25	\$ 0.12	\$ 0.12	\$ 0.23

\* 1,443,000 warrants expired subsequently

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**9. EQUITY (continued)**

## (e) Warrants (continued)

Expiry Date	Exercise Price	Balance, April 30, 2019	Issued	Exercised	Expired/cancelled	Balance, April 30, 2020
May 4, 2019	\$ 0.45	2,990,366	-	-	(2,990,366)	-
May 12, 2019	\$ 0.45	2,160,000	-	-	(2,160,000)	-
October 11, 2019	\$ 0.11	1,497,164	-	(1,197,560)	(299,604)	-
March 22, 2020	\$ 0.45	1,060,014	-	-	(1,060,014)	-
March 22, 2020	\$ 0.45	71,750	-	-	(71,750)	-
April 3, 2020	\$ 0.45	259,000	-	-	(259,000)	-
October 26, 2020	\$ 0.12	11,157,500	-	-	-	11,157,500
June 21, 2021	\$ 0.20	-	1,796,500	-	-	1,796,500
November 15, 2021	\$ 0.17	1,700,000	-	-	-	1,700,000
		20,895,794	1,796,500	(1,197,560)	(6,840,734)	14,654,000
<i>Weighted average exercise price</i>		<i>\$ 0.23</i>	<i>\$ 0.20</i>	<i>\$ 0.11</i>	<i>\$ 0.44</i>	<i>\$ 0.14</i>

The compensatory warrants issued during the years ended April 30, 2021 and 2020 were valued using the Black Scholes option pricing model with the following assumptions:

	Year ended April 30, 2021	Year ended April 30, 2020
Weighted average grant date fair value	\$0.14	-
Weighted average risk-free interest rate	0.29%	-
Expected dividend yield	0%	-
Weighted average stock price volatility	97%	-
Weighted average forfeiture rate	0%	-
Weighted average expected life of options in years	2.00	-

**10. SEGMENTED INFORMATION**

The Company operates in a single reportable operating segment, being the exploration and development of mineral properties. Summarized financial information for the geographic segments the Company operates in are as follows:

	Canada	USA	Total
April 30, 2021			
Mineral properties	\$ 265,750	\$ 1,624,759	\$ 1,890,509
Land and equipment	\$ 19,215	\$ 32,177	\$ 51,392
Right-of-use assets	\$ -	\$ 5,139	\$ 5,139
April 30, 2020			
Mineral properties	\$ 90,500	\$ 1,285,569	\$ 1,376,069
Land and equipment	\$ 42,961	\$ 45,379	\$ 88,340
Right-of-use assets	\$ -	\$ 19,789	\$ 19,789

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**11. RELATED PARTY TRANSACTIONS**

The aggregate value of transactions and outstanding balances relating to key management personnel, being officers and directors, were as follows:

<b>For the year ended April 30, 2021</b>	<b>Salary or Fees</b>	<b>Share-Based Payment</b>	<b>Total</b>
Management and Director Compensation***	\$ 439,991	\$ 101,390	\$ 541,381
Cross Davis & Company LLP **	63,000	3,168	66,168
	<b>\$ 502,991</b>	<b>\$ 104,558</b>	<b>\$ 607,549</b>

<b>For the year ended April 30, 2020</b>	<b>Salary or Fees</b>	<b>Share-Based Payment</b>	<b>Total</b>
Management Compensation***	\$ 465,654	\$ 222,694	\$ 688,348
Cross Davis & Company LLP **	63,000	28,158	91,158
	<b>\$ 528,654</b>	<b>\$ 250,852</b>	<b>\$ 779,506</b>

<b>Related party liabilities</b>	<b>April 30, 2021</b>	<b>April 30, 2020</b>
Due to Management*	\$ 108,240	\$ 247,378

\* Due to management consists of fees owing to three key management personnel for consulting fees.

\*\* Cross Davis & Company LLP provides management services including a chief financial officer, a corporate secretary, accounting staff, administration staff and office space to the Company. At April 30, 2021, the Company has prepaid \$10,500 (2020 - \$10,500) to Cross Davis for future services.

\*\*\* Included in administration and office costs and exploration expenditures.

During the year ended April 30, 2020, the Company issued 685,346 common shares (valued at \$75,388) to an officer to settle accounts payable of \$68,535 resulting in a loss on debt settlement of \$6,853 on the settlement of debt.

**12. FINANCIAL AND CAPITAL RISK MANAGEMENT****Financial Risk Management**

The Company's financial instruments are exposed to certain financial risks, which include currency risk, credit risk, liquidity risk and interest rate risk.

**Foreign currency risk**

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and the United States. The Company funds cash calls to its subsidiary companies outside of Canada in US dollars ("USD"). The greatest risk is the exchange rate of the Canadian dollar relative to the US dollar, as a significant change in this rate could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations.

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**12. FINANCIAL AND CAPITAL RISK MANAGEMENT** (continued)

	April 30, 2021		April 30, 2020	
	("USD")		("USD")	
Cash	\$	35,765	\$	82,327
Accounts payable and accrued liabilities		(13,643)		(30,661)
Net exposure		22,122		51,666
Canadian dollar equivalent	\$	27,200	\$	71,954

Based on the above net exposures as at April 30, 2021, and assuming that all other variables remain constant, a 10% change in the value of the Canadian dollar against the above foreign currencies would result in an increase / decrease of approximately \$2,720 (2020 - \$7,195) to net loss for the period.

**Credit Risk**

The Company's cash is mainly held through large insured Canadian and the United States financial institutions and, accordingly, credit risk is minimized.

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital resources.

**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 the market interest rates. There is currently minimal interest rate risk.

**Management of Capital**

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration and evaluation of its mineral properties. The Company relies mainly on equity issuances to raise new capital and on entering into joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of equity. The Company prepares annual estimates of exploration and administrative expenditures and monitors actual expenditures compared to the estimates to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to invest its cash in savings accounts or highly liquid short-term deposits with terms of one year or less and which can be liquidated after thirty days without interest or penalty. The Company will have to raise additional financing to cover its exploration and administrative costs for the next twelve months. The Company's approach to the management of capital did not change during the year ended April 30, 2021.

**13. FINANCIAL INSTRUMENTS**

The carrying value of its financial assets and liabilities approximates their fair value as at April 30, 2021 due to their short term maturity except for investments in marketable securities which are carried at fair value and measured at Level 1 inputs of the fair value hierarchy. The Company classifies its financial liabilities, comprised of accounts payable and accrued liabilities, related party payables, loan payable, and lease liability as financial liabilities at amortized cost.

**NEWRANGE GOLD CORP.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**14. ADMINISTRATION AND OFFICE COSTS**

	Year ended April 30, 2021	Year ended April 30, 2020
Consulting	\$ 317,697	\$ 306,232
Financial expense	11,679	10,959
Office	119,107	86,036
Rent	18,327	12,025
Travel	17,390	90,544
	<b>\$ 484,200</b>	<b>\$ 505,796</b>

**15. DISPOSAL GROUP HELD FOR SALE AND DISCONTINUED OPERATIONS**

During the year ended April 30, 2020, the Company negotiated an agreement with a private Australian company, Andean Mining Corporation Pty Ltd. ("Andean"), for the sale of the Company's wholly owned subsidiary, Corporacion Minera de Colombia S.A. ("CMC"). During the year ended April 30, 2021, the Company and Andean signed the SPA and concluded the sale of CMC. The sale included the sale of El Dovio and Anori mineral properties, both of which were 100% owned by the Colombian subsidiary, for US\$1,000,000. During the year ended April 30, 2020, the Company received US\$250,000 from Andean towards the El Dovio option agreement (Note 5) which was applied against the US\$1,000,000. During the year ended April 30, 2021, the Company received the remaining US\$750,000. As a result, the Company recorded income from discontinued operations of \$965,627 (2020 - \$138,650).

As at April 30, 2020, CMC was classified as a separate disposal group held for sale. Accordingly, the assets and liabilities of CMC were reallocated to available for sale assets and available for sale liabilities. As at April 30, 2020, the available for sale assets consist of \$3,023 in cash, \$53,729 of other receivable and \$7 of prepaid expenses. The available for sale liabilities include accounts payable of \$34,311.

As at April 30, 2020, as a result of the pending sale of the Yarumalito property (Note 5), the Company reclassified the carrying values of the Yarumalito project totaling \$484,275 and land totaling \$55,854 as assets held for sale.

During the year ended April 30, 2021, both Yarumalito and CMC were sold. The discontinued results from the Company's operations in Colombia during the years ended April 30, 2021 and 2020 are presented below:

	April 30, 2021	April 30, 2020
Exploration expenditures	\$ -	\$ (200,883)
Sale of Yarumalito	885,714	334,771
Sale of land	186,552	-
Gain on disposal of database	35,055	-
Disposal of CMC	965,627	-
Foreign exchange	-	4,640
Interest income	-	122
<b>Income from discontinued operations</b>	<b>\$ 2,072,948</b>	<b>\$ 138,650</b>

**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**15. DISPOSAL GROUP HELD FOR SALE AND DISCONTINUED OPERATIONS** (continued)

The total breakdown of cash flows from discontinued operations are as follows:

	April 30, 2021	April 30, 2020
Net cash provided by operating activities	\$ 1,227,702	\$ 122,279
Net cash provided by investing activities	-	220,028
<b>Change in cash during the year</b>	<b>\$ 1,227,702</b>	<b>\$ 342,307</b>
<b>Non-cash transactions during the year</b>		
Marketable securities received for the Yarumalito project (Notes 5, 8)	\$ 1,369,989	\$ 637,466

**16. INCOME TAXES**

A reconciliation of income taxes at statutory rates with the reported taxes is as follows:

	2021	2020
Loss before tax from continuing operations	\$ (4,203,227)	\$ (2,498,826)
Income before tax from discontinued operations	2,072,948	138,650
Loss for the year before income tax	\$ (2,130,279)	\$ (2,360,176)
Expected income tax (recovery)	\$ (552,000)	\$ (637,000)
Change in statutory, foreign exchange rate and other	(137,000)	22,000
Permanent difference	53,000	58,000
Impact of sale of subsidiary	3,545,000	-
Share issue cost	(50,000)	(27,000)
Adjustment to prior years provision versus statutory tax returns	(10,000)	(16,000)
Change in unrecognized deductible temporary differences	(2,849,000)	600,000
<b>Total income tax expense (recovery)</b>	<b>\$ -</b>	<b>\$ -</b>



**NEWRANGE GOLD CORP.**

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(Expressed in Canadian dollars)

FOR THE YEARS ENDED APRIL 30, 2021 AND 2020

**16. INCOME TAXES (continued)**

The significant components of the Company's deferred tax assets that have not been included on the consolidated statement of financial position are as follows:

	2021	2020
Deferred Tax Assets (liabilities)		
Exploration and evaluation assets	\$ 1,153,000	\$ 4,030,000
Property and equipment	37,000	109,000
Share issue costs	62,000	32,000
Allowable capital losses	113,000	2,000
Marketable securities	23,000	(21,000)
Non-capital losses available for future period	3,251,000	3,336,000
	4,639,000	7,488,000
	(4,639,000)	(7,488,000)
<b>Net deferred tax assets</b>	<b>\$ -</b>	<b>\$ -</b>

The significant components of the Company's temporary differences, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2021	Expiry Date Range	2020	Expiry Date Range
<b>Temporary Differences</b>				
Exploration and evaluation assets	\$ 4,269,000	No expiry date	\$ 13,694,000	No expiry date
Property and equipment	151,000	No expiry date	384,000	No expiry date
Share issue costs	229,000	2042 to 2045	118,000	2041 to 2044
Allowable capital losses	420,000	No expiry date	6,000	No expiry date
Marketable securities	170,000	No expiry date	-	No expiry date
Non-capital losses available for future period	12,477,000	2027 to 2040	12,140,000	2027 to 2040

Tax attributes are subject to review, and potential adjustment, by tax authorities.

**17. SUBSEQUENT EVENT**

Subsequent to the year ended April 30, 2021, the Company entered into a share purchase agreement to purchase a 100% of the issued and outstanding shares in the capital of Cangold Limited which owns the Argosy Gold Mine in the Red Lake Mining Division of northwestern Ontario. To earn the interest, the Company must make a cash payment of \$100,000 and issue \$650,000 in the Company's shares to the vendor on closing and a further \$250,000 in shares on the first anniversary of closing.