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**NATION GOLD CORP.**

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED**

**OCTOBER 31, 2021 AND 2020**

**(UNAUDITED)**

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**Notice of No Auditor Review of  
Condensed Interim Financial Statements**

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

The accompanying unaudited condensed interim financial statements of the Company for the six months ended October 31, 2021 and 2020 have been prepared by and are the responsibility of the Company's management. The Company's external auditors have not performed a review of these condensed interim financial statements.

**NATION GOLD CORP.**  
**CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)  
(Unaudited)

	Note	As at October 31, 2021 (Unaudited) \$	As at April 30, 2021 (Audited) \$
<b>ASSETS</b>			
CURRENT			
Cash		245,274	436,149
Amounts receivable		10,165	6,119
Prepaid expenses		32,000	3,892
		287,439	446,160
EXPLORATION AND EVALUATION ASSET	4	136,225	136,225
		423,664	582,385
<b>LIABILITIES</b>			
CURRENT			
Accounts payable and accrued liabilities	6	297,316	286,547
<b>SHAREHOLDERS' EQUITY</b>			
SHARE CAPITAL	5	670,886	670,886
SUBSCRIPTION RECEIVABLE	5	-	(3,750)
CONTRIBUTED SURPLUS	5	74,756	74,756
DEFICIT		(619,294)	(446,054)
		126,348	295,838
		423,664	582,385

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)  
SUBSEQUENT EVENTS (Note 9)

Approved and authorized for issue on behalf of the Board on December 24, 2021

"Mark Bailey" Director      "Carson Sedun" Director

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

**NATION GOLD CORP.**  
**CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**  
**FOR THE SIX MONTHS ENDED OCTOBER 31, 2021 AND 2020**  
(Expressed in Canadian dollars)  
(Unaudited)

	Three Months Ended October 31,		Six Months Ended October 31,	
	2021 \$	2020 \$	2021 \$	2020 \$
<b>General and Administration Expenses</b>				
Office	18	153	14,219	3,402
Professional fees	66,701	18,312	122,848	23,933
Rent	9,000	-	15,000	-
Transfer agent and filing fees	550	-	21,173	-
Travel	-	-	-	253
<b>Net and Comprehensive Loss</b>	<b>(76,269)</b>	<b>(18,465)</b>	<b>(173,240)</b>	<b>(27,588)</b>
<b>Basic and Diluted (Loss) Per Common Share</b>	<b>(0.01)</b>	<b>(0.01)</b>	<b>(0.02)</b>	<b>(0.01)</b>
<b>Weighted Average Number of Common Shares Outstanding</b>	<b>11,329,920</b>	<b>2,113,848</b>	<b>11,329,920</b>	<b>2,113,848</b>

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

**NATION GOLD CORP.**  
**CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED OCTOBER 31, 2021 AND 2020**  
(Expressed in Canadian dollars)  
(Unaudited)

**Six Months Ended October 31, 2020**

	<b>Common Shares</b>		<b>Subscription Receivable</b>	<b>Contributed Surplus</b>	<b>Deficit</b>	<b>Total</b>
	<b>Number of Shares</b>	<b>Amount</b>				
		\$	\$	\$	\$	\$
<b>Balance, April 30, 2020</b>	2,113,848	238,610	-	74,756	(227,039)	86,327
Net loss	-	-	-	-	(27,588)	(27,588)
<b>Balance, October 31, 2020</b>	2,113,848	238,610	-	74,756	(254,627)	58,739

**Six Months Ended October 31, 2021**

	<b>Common Shares</b>		<b>Subscription Receivable</b>	<b>Contributed Surplus</b>	<b>Deficit</b>	<b>Total</b>
	<b>Number of Shares</b>	<b>Amount</b>				
		\$	\$	\$	\$	\$
<b>Balance, April 30, 2021</b>	11,329,920	670,886	(3,750)	74,756	(446,054)	295,838
Subscription received	-	-	3,750	-	-	3,750
Net loss	-	-	-	-	(173,240)	(173,240)
<b>Balance, October 31, 2021</b>	11,329,920	670,886	-	74,756	(619,294)	126,348

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

**NATION GOLD CORP.**  
**CONDENSED INTERIM STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED OCTOBER 31, 2021 AND 2020**  
(Expressed in Canadian dollars)  
(Unaudited)

	<b>Six Months Ended October 31,</b>	
	<b>2021</b>	<b>2020</b>
	\$	\$
<b>CASH PROVIDED BY (USED IN):</b>		
<b>OPERATING ACTIVITIES</b>		
Net loss	(173,240)	(27,588)
Changes in non-cash working capital balances:		
Amounts receivable	(4,046)	(624)
Prepaid expenses	(28,108)	-
Accounts payable and accrued liabilities	10,769	28,141
	(194,625)	(71)
<b>FINANCING ACTIVITY</b>		
Subscription received	3,750	-
<b>CHANGE IN CASH</b>	(190,875)	(71)
<b>CASH, BEGINNING OF PERIOD</b>	436,149	1,498
<b>CASH, END OF PERIOD</b>	245,274	1,427
<b>SUPPLEMENTAL CASH DISCLOSURES</b>		
Interest paid	-	-
Income taxes paid	-	-

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**NATION GOLD CORP.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED OCTOBER 31, 2021 AND 2020**  
(Expressed in Canadian dollars)  
(Unaudited)

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**1. NATURE OF BUSINESS AND CONTINUING OPERATIONS**

Nation Gold Corp. (“the Company”) was incorporated on May 19, 2017 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is 750-1095 West Pender Street, Vancouver, British Columbia, Canada.

The Company’s principal business activities include the acquisition and exploration of mineral property assets. As at October 31, 2021, the Company had not yet determined whether the Company’s mineral property asset contains ore reserves that are economically recoverable. The recoverability of amount shown for exploration and evaluation asset is dependent upon the discovery of economically recoverable reserves, confirmation of the Company’s interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time and the uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

The Company had an accumulated deficit of \$619,294 as at October 31, 2021 which has been funded by the issuance of equity. The Company’s ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs. These unaudited condensed interim financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these unaudited condensed interim financial statements.

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. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

**2. BASIS OF PRESENTATION**

These condensed interim financial statements have been prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”), and in accordance with International Accounting Standards (“IAS”) 34, Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”). These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements and notes for the year ended April 30, 2021, which have been prepared in accordance with IFRS as issued by the IASB. The accounting policies followed in these unaudited condensed interim financial statements are consistent with those applied in the Company’s financial statements for the year ended April 30, 2021.

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods.

**NATION GOLD CORP.**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
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2. BASIS OF PRESENTATION (continued)

The unaudited condensed interim financial statements have been prepared on a historical cost basis and have been prepared using the accrual basis of accounting except for cash flow information. These unaudited condensed interim financial statements are presented in Canadian dollars, unless specifically indicated otherwise, which is the Company's functional currency.

3. NEW ACCOUNTING STANDARD ISSUED

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's condensed interim financial statements.

4. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs \$	Exploration Costs \$	Total \$
Balance, April 30, 2020	35,000	85,599	120,599
Additions*	-	15,626	15,626
Balance, April 30, 2021	35,000	101,225	136,225
No activity	-	-	-
Balance, October 31, 2021	35,000	101,225	136,225

\*Exploration costs include mapping related costs of \$15,626.

**Cattle Creek Property**

Pursuant to an option agreement (the "Agreement") dated June 13, 2017, the Company was granted an option to acquire a 100% undivided interest in the Cattle Creek Property (the "Property") located in the Vernon Mining Division, British Columbia.

In accordance with the Agreement, the Company has the option to acquire a 100% undivided interest in the Property by issuing a total of 500,000 common shares of the Company to the Optionors, making cash payments totaling \$70,000, and incurring a total of \$180,000 in exploration expenditures.

On June 13, 2019, the Company replaced the Agreement originally dated June 13, 2017 (the "New Agreement"). In accordance with the New Agreement, the Company purchased 100% interest in the Cattle Creek Property in consideration of a cash payment of \$25,000.

5. SHARE CAPITAL

a) Authorized

The Company is authorized to issue an unlimited number of common shares without par value.



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5. SHARE CAPITAL (continued)

b) Escrow Shares

There were Nil common shares held in escrow as at October 31, 2021, April 30, 2021 and October 31, 2020.

c) Issued and Outstanding as at October 31, 2021: 11,329,920 (April 30, 2021: 11,329,920, October 31, 2020: 2,113,848) common shares.

During the six month periods ended October 31, 2021 and 2020, the Company did not issue any common shares.

During the year ended April 30, 2021, the Company had the following share capital transactions:

- (i) On July 23, 2020, the board of directors authorized a 7-for-1 share consolidation. All share and per share information in these financial statements has been retrospectively adjusted to reflect the impact of the share consolidation.
- (ii) On January 29, 2021, the Company completed a non-brokered private placement issuing 3,650,000 common shares at a purchase price of \$0.005 per common share for gross proceeds of \$18,250.
- (iii) On April 19, 2021, the Company completed a non-brokered private placement issuing 5,566,072 common shares at a purchase price of \$0.075 per common share for gross proceeds of \$417,455. As at April 30, 2021, the Company had \$3,750 in subscriptions receivable. Pursuant to the private placement, the Company paid \$3,429 in share issuance costs.

d) Warrants

The Company did not have any warrants outstanding as at October 31, 2021, April 30, 2021 or October 31, 2020.

e) Options

On July 12, 2018, the Company adopted a Stock Option Plan ('Plan') for directors, officers, employees and consultants of the Company. The Company may grant options to individuals, which are exercisable over periods of up to ten years and determined by the Board of Directors of the Company, to buy shares of the Company at the fair market value on the date the option is granted. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding shares on a non-diluted basis.

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5. SHARE CAPITAL (continued)

e) Options (continued)

The changes in options during the six month period ended October 31, 2021 and year ended April 30, 2021 are summarized as follows:

	Number of Options	Weighted Average Exercise Price
<b>Balance, April 30, 2020</b>	<b>207,143</b>	<b>1.05</b>
Cancelled	(207,143)	(1.05)
<b>Balance, April 30, 2021 and October 31, 2021</b>	<b>-</b>	<b>-</b>

On July 24, 2020, the Company cancelled a total of 207,143 stock options that were granted to the Company's directors and key management personnel on June 12, 2018.

During the six month periods ended October 31, 2021 and 2020, the Company did not issue any options.

6. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties. The Company has identified its directors and senior officers as its key management personnel.

During the six months ended October 31, 2021, the Company paid consulting fees of \$Nil (October 31, 2020 - \$Nil) from current and former key management personnel for services provided during the period.

As at October 31, 2021, \$140,000 (April 30, 2021 - \$146,746; October 31, 2020 - \$Nil) was recorded in accounts payable and accrued liabilities for amounts owing to current and former officers, or to companies under their control. The amounts are non-interest bearing, unsecured and payable on demand.

7. 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 sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject. The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

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8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Fair Values

The Company's financial instruments consist of cash and accounts payable and accrued liabilities. The fair values of cash and cash equivalents and accounts payable and accrued liabilities approximate their carrying values because of their current nature.

The following table summarizes the carrying values of the Company's financial instruments as at October 31, 2021 and April 30, 2021:

	October 31, 2021		April 30, 2021	
	Fair value	Carrying value	Fair value	Carrying value
FVTPL (i)	\$ 245,274	\$ 245,274	\$ 436,149	\$ 436,149
Amortized cost (ii)	\$ 297,316	\$ 297,316	\$ 286,547	\$ 286,547

- (i) Cash
- (ii) Accounts payable

The Company classifies its fair value measurements in accordance with the three level fair value hierarchy as follows:

- 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 (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 – Inputs that are not based on observable market data.

The following table sets forth the Company's financial assets measured at fair value as at October 31, 2021 by level within the fair value hierarchy as follows:

	Level 1	Level 2	Level 3	Total
Cash	\$ 245,274	\$ -	\$ -	\$ 245,274

The Company has exposure to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

*Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company manages credit risk, in respect of cash, by placing cash at major Canadian financial institutions. The Company has minimal credit risk.

*Liquidity risk*

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

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8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquid funds to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The contractual financial liabilities of the Company as of October 31, 2021 and April 30, 2021 equal \$297,316 and \$286,547 respectively. All the liabilities presented as accounts payable and accrued liabilities are due on demand. The Company intends to finance its operations over the next twelve months with loans from directors and companies controlled by directors and share private placements.

*Market risk*

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on capital.

As at October 31, 2021, the Company is not exposed to significant market risk.

9. SUBSEQUENT EVENTS

On October 14, 2021, the Company filed its prospectus, which was subsequently amended and filed on November 24, 2021. The Company's amended and restated final prospectus dated November 24, 2021 (the "Amended Prospectus") provides for an initial public offering of a minimum of 4,000,000 common shares ("Shares") and a maximum of 5,000,000 Shares at a price of \$0.25 per Share for minimum gross proceeds of \$1,000,000 and maximum gross proceeds of \$1,250,000 (the "Offering").

Concurrently, on November 24, 2021, the Company amended its agency agreement and entered into an amended and restated agency agreement (the "Agency Agreement") whereby the Agent (the "Agent") has agreed to raise on commercially reasonable efforts minimum gross proceeds of \$1,000,000 and maximum gross proceeds of \$1,250,000. Pursuant to the terms of the Agency Agreement, the Company has agreed to pay to the Agent a cash commission of 8% of the gross proceeds raised under the Offering. The Company has also agreed to grant to the Agent non-transferable common share purchase warrants (each an "Agent Warrant") of the Company that will entitle the Agent to purchase such number of Shares equal to 8% of the Shares sold under the Offering. Each Agent's Warrant will entitle the holder to purchase one share at \$0.25 per Agent's Warrant for two years from date of issue. Additionally, the Company has agreed to pay a cash corporate finance fee of \$30,000 plus applicable taxes.