NATION GOLD

NATION GOLD CORP.

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED

JULY 31, 2022 AND 2021

(UNAUDITED)

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 three months ended July 31, 2022 and 2021 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 July 31, 2022 (Unaudited)	As at April 30, 2022 (Audited)
		$	$
ASSETS			
CURRENT			
Cash		962,029	980,627
Amounts receivable		23,193	22,543
		985,222	1,003,170
EXPLORATION AND EVALUATION ASSET	4	136,225	136,225
		1,121,447	1,139,395
LIABILITIES			
CURRENT			
Accounts payable and accrued liabilities	6	263	3,675
SHAREHOLDERS' EQUITY			
SHARE CAPITAL	5	1,718,386	1,718,386
CONTRIBUTED SURPLUS	5	127,256	127,256
DEFICIT		(724,458)	(709,922)
		1,121,184	1,135,720
		1,121,447	1,139,395

NATURE OF BUSINESS AND CONTINUING OPERATIONS (Note 1)

Approved and authorized for issue on behalf of the Board on September 27, 2022.

/s/ "Mark Bailey", Director   */s/ "Carson Sedun"*, Director

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

NATION GOLD CORP.
CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED JULY 31, 2022 AND 2021
(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended July 31,	
	2022 **$**	**2021** **$**
General and Administration Expenses		
Office	1,092	14,201
Professional fees	-	56,147
Rent	10,500	6,000
Transfer agent and filing fees	2,500	20,623
Travel	444	-
Net and Comprehensive Loss	(14,536)	(96,971)
Basic and Diluted Loss Per Common Share	(0.00)	(0.01)
Weighted Average Number of Common Shares Outstanding	16,329,920	11,329,920

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

NATION GOLD CORP.
CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED JULY 31, 2022 AND 2021
(Expressed in Canadian dollars)
(Unaudited)

Three Months Ended July 31, 2021

	Common Shares					
	Number of Shares	**Amount**	**Subscription Receivable**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$	$
Balance, April 30, 2021	11,329,920	670,886	(3,750)	74,756	(446,054)	295,838
Subscriptions received	-	-	3,750	-	-	3,750
Net loss	-	-	-	-	(96,971)	(96,971)
Balance, July 31, 2021	11,329,920	670,886	-	74,756	(543,025)	202,617

Three Months Ended July 31, 2022

	Common Shares					
	Number of Shares	**Amount**	**Subscription Receivable**	**Contributed Surplus**	**Deficit**	**Total**
		$	$	$	$	$
Balance, April 30, 2022	16,329,920	1,718,386	-	127,256	(709,922)	1,135,720
Net loss	-	-	-	-	(14,536)	(14,536)
Balance, July 31, 2022	16,329,920	1,718,386	-	127,256	(724,458)	1,121,184

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

NATION GOLD CORP.
CONDENSED INTERIM STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED JULY 31, 2022 AND 2021
(Expressed in Canadian dollars)
(Unaudited)

	Three Months Ended July 31,	
	2022	**2021**
	$	$
CASH PROVIDED BY (USED IN):		
OPERATING ACTIVITIES		
Net loss	(14,536)	(96,971)
Changes in non-cash working capital balances:		
Amounts receivable	(650)	(2,219)
Prepaid expenses	-	(16,108)
Accounts payable and accrued liabilities	(3,412)	(53,580)
	(18,598)	(168,878)
FINANCING ACTIVITIES		
Subscriptions received	-	3,750
CHANGE IN CASH	(18,598)	(165,128)
CASH, BEGINNING OF PERIOD	980,627	436,149
CASH, END OF PERIOD	962,029	271,021
SUPPLEMENTAL CASH DISCLOSURES		
Interest paid	-	-
Income taxes paid	-	-

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

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 July 31, 2022, 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.

During the year ended April 30, 2022, the Company filed its final prospectus with the Canadian Securities Exchange (the "CSE"). On December 30, 2021, the Company completed its initial public offering ("IPO") of 5,000,000 common shares of the Company at a price of $0.25 per common share for gross proceeds of $1,250,000. As consideration for the services provided by the agent to the Company (the "Agent"), the Agent received a cash commission of $100,000, a corporate finance fee of $30,000 and received $20,000 for reimbursed legal and related costs. Additionally, the agent and their selling group received a total of 400,000 common share purchase warrants (the "Agent Warrants"). Each Agent warrant entitles the warrant holder to purchase one common share at a price of $0.25 until December 29, 2023.

The Company had an accumulated deficit of $724,458 as at July 31, 2022 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 unaudited 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, 2022, 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 audited financial statements for the year ended April 30, 2022.

2. BASIS OF PRESENTATION (continued)

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.

These 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. ADOPTION OF NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. The Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

4. EXPLORATION AND EVALUATION ASSET

	Acquisition Costs $	**Exploration Costs $**	**Total $**
Balance, April 30, 2022	35,000	101,225	136,225
No activity during the period	-	-	-
Balance, July 31, 2022	35,000	101,225	136,225

Cattle Creek Property

Pursuant to an agreement (the "Agreement") dated June 13, 2017 and amended on June 13, 2019, the Company acquired 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 acquired a 100% undivided interest in the Property by making 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.

b) Escrow Shares

As at July 31, 2022, the Company had 1,312,500 (April 30, 2022: 1,575,000; July 31, 2021: Nil) common shares held in escrow.

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

c) Issued and Outstanding

As at July 31, 2022, there were 16,329,920 (April 30, 2022: 16,329,920; July 31, 2021: 11,329,920) common shares issued and outstanding.

During the three months ended July 31, 2022, the Company did not complete any financings.

During the years ended April 30, 2022 and 2021, the Company had the following share capital transactions:

(i) On December 30, 2021, the Company completed its IPO of 5,000,000 common shares of the Company at a price of $0.25 per common share for gross proceeds of $1,250,000. As consideration for the services provided by the agent to the Company (the “Agent”), the Agent received a cash commission of $100,000, a corporate finance fee of $30,000 and received $20,000 for reimbursed legal and related costs;

(ii) 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;

(iii) 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.

(iv) 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.

d) Warrants

On December 30, 2021, the Company completed its IPO and the Company’s agent, including the agent’s selling group, received a total of 400,000 common share purchase warrants (the “Agent Warrants”). Each Agent warrant entitles the warrant holder to purchase one common share at a price of $0.25 until December 29, 2023. The fair value of the agent warrants was $52,500 and recorded as share issuance costs. The fair value of $52,500 was estimated using the Black-Scholes pricing model with the following assumptions:

Risk free interest rate	1%
Expected life	2 years
Expected volatility	100%
Expected dividends	0%

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

The following table summarizes warrant transactions for the three months ended July 31, 2022:

	Number of warrants	**Weighted average exercise price**
		$
Outstanding, April 30, 2022	400,000	0.25
No Activity	-	-
Outstanding, July 31, 2022	400,000	0.25

The following table summarizes the warrants outstanding and exercisable as at July 31, 2022:

Exercise price	**Number of warrants**	**Exercisable**	**Expiry date**
$ 0.25	400,000	400,000	December 29, 2023
	400,000	400,000	

The Company did not have any warrants outstanding as at July 31, 2021.

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, options are exercisable over periods of up to ten years, as 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.

The Company did not have any stock options outstanding as at July 31, 2022, April 30, 2022 or July 31, 2021.

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 three months ended July 31, 2022 and 2021, the Company did not have any related party transactions.

As at July 31, 2022, there was no amount owing to current or former directors or senior officers or to companies under their control.

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.

(Expressed in Canadian dollars)

7. MANAGEMENT OF CAPITAL (continued)

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.

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

Fair Values

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

The following table summarizes the carrying values of the Company's financial instruments as at July 31, 2022 and 2021:

	July 31, 2022		**July 31, 2021**	
	Fair value	**Carrying value**	**Fair value**	**Carrying value**
FVTPL (i)	$ 962,029	$ 962,029	$ 271,021	$ 271,021
Amortized cost (ii)	$ 263	$ 263	$ 232,967	$ 232,967

(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 July 31, 2022 by level within the fair value hierarchy as follows:

	Level 1	**Level 2**	**Level 3**	**Total**
Cash	$ 962,029	$ -	$ -	$ 962,029

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

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

8. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

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. 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 July 31, 2022 and 2021 are $263 and $232,967 respectively. All the liabilities presented as accounts payable are due on demand.

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 July 31, 2022, April 30, 2022 and July 31, 2021, the Company is not exposed to significant market risk.