Consolidated Financial Statements of

Multi-Metal Development Ltd.

(formerly American CuMo Mining Corporation)

June 30, 2022

DeVISSER GRAY LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Multi-Metal Development Ltd. (formerly American CuMo Mining Corporation)

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Multi-Metal Development Ltd. (formerly American CuMo Mining Corporation) (the "Company"), which comprise the consolidated statements of financial position as at June 30, 2022 and 2021 and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2022 and 2021 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 audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the consolidated financial statements, which indicates that the Company has no source of revenue and is considered to be in the exploration stage. As stated in Note 1, the Company's ability to continue as a going concern is dependent upon it ability to obtain additional funding through the future issuance of securities or from other sources. These matters, along with other matters as set forth in Note 1, indicate that material uncertainties exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in "Management's Discussion and Analysis" but does not include the consolidated financial statements and our auditor's report thereon.

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. 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.

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 James D. Gray.

De Visser Gray LLP

Chartered Professional Accountants

Vancouver, BC, Canada
October 28, 2022

Multi-Metal Development Ltd. (formerly American CuMo Mining Corporation)
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

		June 30	**June 30**
ASSETS	Note	**2022**	**2021**
Current		$	$
Cash and cash equivalents		222,476	137,831
Trade and other receivables	5	11,468	5,804
Prepaid expenses	14(b)	373,282	90,433
Investments	4	6,898	8,140
		614,124	**242,208**
Non-current assets			
Reclamation bonds	13	51,799	51,799
Non-current deposit	13	123,940	123,940
Property and equipment	7	1,218,381	1,218,145
Unproven mineral right interests	8	24,679,686	23,976,067
		26,687,930	**25,612,159**
LIABILITIES			
Current			
Trade and other payables	6, 14	381,831	2,046,945
Convertible Debentures	11	1,801,715	3,990,850
Notes Payable	9	2,977,597	2,768,143
Promissory notes - current portion	10	-	980,715
		5,161,143	**9,786,653**
Non-current liabilities			
Promissory notes	10	6,159,825	3,208,607
Reclamation provisions	13	177,854	177,854
Deferred income tax liability	16	1,103,564	1,597,340
		12,602,386	**14,770,454**
EQUITY			
Share capital	15	63,265,494	61,890,434
Share subscriptions receivable	15	(127,355)	(137,200)
Equity reserve	15	13,308,293	13,021,520
Non-controlling interest		1	1
Deficit		(61,881,779)	(63,482,794)
Accumulated other comprehensive loss		(479,110)	(450,256)
		14,085,544	10,841,705
		26,687,930	**25,612,159**
Nature of Operations	1		
Commitment	19		
Contingencies	9 & 20		
Subsequent events	8 & 22		
Approved on Behalf of the Board of Directors		John Moeller	Shaun Dykes

See accompanying notes to the consolidated financial statements.

Multi-Metal Development Ltd. (formerly American CuMo Mining Corporation)
Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian dollars)

		Years Ended June 30,	
	Note	**2022**	**2021**
		$	$
Expenses			
Interest expense and bank charges		674,056	517,666
Convertible debenture expense	11	28,397	696,868
Foreign exchange (gain) loss		64,529	(135,312)
Salaries and management fees	14	849,920	261,773
Office and miscellaneous		42,370	50,019
Consulting and professional fees		351,927	188,061
Rent		63,431	20,985
Shareholder communications and regulatory		276,856	255,740
Share-based compensation	14	210,333	429,000
Travel and business development		17,387	59,492
Loss before other items		(2,579,206)	(2,344,292)
Other items			
Unrealized loss on investments	4	(1,242)	(4,155)
Write-off of unproven mineral right interests	8	-	(1)
Gain on sale of subsidiary	1	50,000	-
Gain on sale of property	8	253,760	-
Write off of accounts payable		182,400	-
Net loss before taxes		(2,094,288)	(2,348,448)
Deferred income tax recovery	16	493,776	114,142
Net loss from operations		(1,600,512)	(2,234,306)
Other comprehensive loss, net of tax			
Cumulative translation adjustment		(28,854)	121,703
		(28,854)	121,703
Comprehensive loss		(1,629,366)	(2,112,603)
Loss per common share: Basic and diluted		(0.01)	(0.01)
Weighted average number of common shares outstanding		239,492,028	178,987,155

See accompanying notes to the consolidated financial statement

Multi-Metal Development Ltd. (formerly American CuMo Mining Corporation)			
Consolidated Statements of Cash Flows			
(Expressed in Canadian dollars)			
	Notes	**June 30, 2022**	**June 30, 2021**
OPERATING ACTIVITIES		$	$
Net loss for the year		(1,600,512)	(2,234,306)
Items not involving cash:			
Interest expense on promissory notes		521,548	345,674
Interest expense on notes payable		147,283	148,350
Interest expense on convertible debentures		28,397	696,868
Foreign exchange		(110,048)	(118,677)
Unrealized loss on investments		1,242	4,155
Deferred income tax recovery		(493,776)	(114,142)
Share-based compensation		210,333	429,000
Write off of accounts payable		(182,400)	-
Write-off of unproven mineral right interests		-	1
Net changes in non-cash working capital items		(84,102)	367,740
Cash used in operating activities		**(1,562,035)**	**(475,337)**
INVESTING ACTIVITIES			
Expenditures on unproven mineral right interests		(894,239)	(322,073)
Additions to property, plant and equipment		(236)	-
Cash used in investing activities		**(894,475)**	**(322,073)**
FINANCING ACTIVITIES			
Proceeds from the exercise of warrants		292,500	426,734
Proceeds from the issuance of shares		759,845	-
Share issue costs		(71,051)	-
Proceeds from the issuance of promissory notes		89,730	-
Repayment of convertible debentures		(1,704,173)	-
Promissory notes interest paid		(27,223)	-
Proceeds from the issuance of shares of subsidiary		3,201,527	-
Proceeds from the issuance of convertible debentures		-	503,910
Cash received from financing activities		**2,541,155**	**930,644**
Net change in cash and cash equivalents		84,645	133,234
Cash and cash equivalents, beginning of the year		137,831	4,597
Cash and cash equivalents, end of the year		222,476	137,831
Supplemental non-cash disclosures (Note 21)			

See accompanying notes to the consolidated financial statements.

Multi-Metal Development Ltd. (formerly American CuMo Mining Corporation)

Consolidated Statement of Changes in Equity

(Expressed in Canadian dollars)

		Share Capital								
	Note	Number of Shares	Amount	Share Subsciptions Receivable	Convertible Notes Equity	Equity Reserve	Non-controlling Interest	Deficit	Comprehesive Loss	Total Equity
			$	$	$	$	$	$	$	$
Balance at June 30, 2020		**178,987,155**	**59,181,460**	**-**	**343,154**	**12,592,520**	**-**	**(61,248,488)**	**(571,959)**	**10,296,687**
Net loss after tax		-	-	-	-	-	-	(2,234,306)	-	(2,234,306)
Common shares issued per:										
Conversion of converitble debentures	11	31,178,045	1,732,240	(137,200)	(343,154)	-	-	-	-	1,251,886
Warrants exercised	15	5,688,830	426,734	-	-	-	-	-	-	426,734
Acquisition of Bleiberg Project	8	10,000,000	550,000	-	-	-	-	-	-	550,000
Recognition of non-controlling interest		-	-	-	-	-	1	-	-	1
Share-based compensation	15	-	-	-	-	429,000	-	-	-	429,000
Cumulative translation adjustment		-	-	-	-	-	-	-	121,703	121,703
Balance at June 30, 2021		**225,854,030**	**61,890,434**	**(137,200)**	**-**	**13,021,520**	**1**	**(63,482,794)**	**(450,256)**	**10,841,705**
Net loss after tax		-	-	-	-	-	-	(1,600,512)	-	(1,600,512)
Common shares issued per:										
Conversion of converitble debentures	11	6,605,660	480,051	-	-	-	-	-	-	480,051
Warrants exercised	15	3,900,000	292,500	-	-	-	-	-	-	292,500
Private placement	15	15,000,000	750,000	(127,355)	-	-	-	-	-	622,645
Share subscriptions received		-	-	137,200	-	-	-	-	-	137,200
Share-based compensation	15	-	-	-	-	210,333	-	-	-	210,333
Share issue costs		-	(147,491)	-	-	76,440	-	-	-	(71,051)
Transactions with non-controlling interests	1	-	-	-	-	-	-	3,201,527	-	3,201,527
Cumulative translation adjustment		-	-	-	-	-	-	-	(28,854)	(28,854)
Balance at June 30, 2022		**251,359,690**	**63,265,494**	**(127,355)**	**-**	**13,308,293**	**1**	**(61,881,779)**	**(479,110)**	**14,085,544**

See accompanying notes to the consolidated financial statements.

1. Nature of operations

Multi-Metal Development Ltd. (formerly American CuMo Mining Corporation) (the "Company" or "Multi-Met") is an exploration and development company with mineral right interests in the United States of America, Austria and Canada. Multi-Met was incorporated under the laws of British Columbia in 1971. On May 16, 2022, the Company has changed its name from American CuMo Mining Corporation to Multi-Metal Development Ltd.

These consolidated financial statements include the accounts of Multi-Met and its wholly-owned subsidiaries (collectively, the "Company"): MSQ Operations Inc. (inactive) and Poly Resources LLC ("Poly Resources"). These consolidated financial statements also include the accounts of:

- International CuMo Mining Corporation (formerly Idaho Cumo Mining Corp) ("ICMC"), in which Multi-Met currently has an 66.58% ownership interest. The minority 33.42% interest was granted as follows: 1) 19% was granted during the year ended June 30, 2021 to partially acquire the Bleiberg Project. Refer to Note 8; and 2) 14.42% was granted during the year ended June 30, 2022 in exchange for cash proceeds of $3,201,527. Refer to Note 15(c).

During the fiscal year ended June 30, 2022, the Company sold all of the issued and outstanding common shares of 1156207 Ontario Inc. ("1156207") to Prospector Royalty Corp. for a consideration of $50,000, and recognized a corresponding gain on the statement of loss and comprehensive loss.

The Company is in the process of exploring its mineral right interests in the United States and Austria and at the date of these consolidated financial statements, has not yet determined whether any of its mineral properties contain economically recoverable mineral reserves. Accordingly, the carrying amount of mineral right interests represents cumulative expenditures incurred to date and does not necessarily reflect present or future values. The recovery of these costs is dependent upon the discovery of economically recoverable mineral reserves and the ability of Multi-Met to obtain the necessary financing to complete their exploration and development and to resolve any environmental, regulatory, or other constraints. Uncertainty also exists with respect to the recoverability of the carrying value of certain mineral right interests. The ability of the Company to realize on its investment in resource properties is contingent upon resolution of the uncertainties and confirmation of the Company's title to the mineral properties.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue operations for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of operations as they come due. The Company does not generate material cash flows from operations and accordingly, Multi-Met will need to raise additional funds through future issuance of securities or from other sources. Although Multi-Met has been successful in raising funds in the past, there can be no assurance Multi-Met will be able to raise sufficient funds in the future, in which case the Company may be unable to meet its obligations as they come due in the normal course of business. The Company has not determined whether any of its properties contain mineral reserves that are economically recoverable. It is not possible to predict whether financing efforts will be successful or if the Company will attain a profitable level of operations. Since inception, the Company has incurred cumulative losses of $61,881,779 (June 30, 2021: $63,482,794) and as at June 30, 2021 had a working capital deficiency of $4,547,019 (June 30, 2021: $9,544,445), which may cast significant doubt regarding Multi-Met's ability to continue as a going concern. Should Multi-Met be unable to realize its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts on the statement of financial position.

Multi-Met's common shares are listed on the TSX Venture Exchange ("TSX-V"), under the trading symbol "MLY". and on the OTC Pink Sheets in the United States, under the trading symbol "MLYCF". Multi-Met's share options and warrants are not listed.

The head office and principal address of the Company is 638 Millbank, Vancouver, British Columbia, Canada V5Z 4B7.

1. Nature of operations (cont'd)

These consolidated financial statements were authorized for issue by the Board of Directors on October 28, 2022 and have been prepared in accordance with and in full compliance with the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

2. Basis of presentation.

a) Basis of presentation

The consolidated financial statements of the Company have been prepared in accordance with IFRS and on an historical cost basis, except for financial instruments which have been measured at fair value. The consolidated financial statements are presented in Canadian dollars and all values are rounded to the nearest dollar except where otherwise indicated.

b) Adoption of new and revised standards and interpretations

Accounting standards adopted during the year

The Company did not adopt any new standards during the year ended June 30, 2022 that had a material impact on the consolidated financial statements.

3. Summary of significant accounting policies

Basis of consolidation

The consolidated financial statements include the financial statements of Multi-Met and its controlled subsidiaries (see Note 1). Control is achieved when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

All intercompany transactions, balances, income and expenses are eliminated on consolidation.

Where the Company's interest is less than 100%, the interest attributable to outside shareholders is reflected in non-controlling interest. Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company's equity therein. Non-controlling interests consist of the amount of those interests at the date the interest was given up and the non-controlling interests' share of changes in equity since that date.

The current 33.42% non-controlling interest in ICMC has not been recorded on the statement of financial position as ICMC has net liabilities.

Significant accounting judgments and estimates

The Company makes estimates and assumptions about the future that affect the reported amounts of assets and liabilities. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual experience may differ from these estimates and assumptions.

The effect of a change in an accounting estimate is recognized prospectively by including it in comprehensive income in the period of the change, if the change affects that period only, or in the period of the change and future periods, if the change affects both.

3. Summary of significant accounting policies (cont'd)

Information about critical accounting estimates and judgments in applying accounting policies that have the most significant risk of causing material adjustment to the carrying amounts of assets and liabilities recognized in the financial statements are discussed below:

- Judgments

a) Unproven mineral right interests

The application of the Company's accounting policy for unproven mineral right interests requires judgment in determining whether material indicators of impairment exist in the manner outlined under IFRS 6. These accounting standards, in the context whereby they provide for the continued deferral of exploration costs, are generally not as robust as those applicable to other items of property, plant and equipment. Accordingly, judgments are necessary both in connection with management's assessments in this area and to ensure that the resultant measurement uncertainty is fully and fairly disclosed.

b) Title to unproven mineral right interests

Although the Company has taken steps to verify title to its unproven mineral right interests, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by undetected defects.

c) Convertible debentures/Derivative liability

The Company presents convertible debentures separately in its debt and equity components on the consolidated statement of financial position. The fair value of a compound instrument at issuance is assigned to its respective debt and equity components.

In instances where the convertible debenture was assessed as being a compound financial instrument, the fair value of the debt component is established first with the equity component being determined by the residual amount. In instances where the convertible debenture has been assessed as being a derivative liability, the fair value of the derivative liability is established first with the convertible debenture component being determined by the residual amount.

Management has made significant assumptions in the application of the Black-Scholes option-pricing model when calculating the fair value of the derivative liability and the residual fair value of the convertible debenture.

d) Going concern

Critical judgement and estimates are applied for the determination that the Company will continue as a going concern for the next year.

3. Summary of significant accounting policies (cont'd)

Significant accounting judgments and estimates (cont'd)

- Estimates

a) Share-based payments:

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date in which they are granted. Estimating fair values for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. The estimate also requires determining the most appropriate inputs to the valuation model, including the expected life of the share option, volatility and dividend yield, and making assumptions about them. The model and assumptions used by the Company to estimate the fair value of share-based payments are disclosed in Note 15.

b) Income taxes:

The calculation of income taxes requires judgment in applying tax laws and regulations, estimating the timing of the reversals of temporary differences, and estimating the reliability of deferred tax assets. These estimates impact current and deferred income tax assets and liabilities, and current and deferred income tax expense.

Foreign currency translation

The Canadian dollar is considered to be the functional currency and the presentation currency of the Company and all of its subsidiaries, with the exception of ICMC and Poly Resources.

The functional currencies of ICMC and Poly Resources are the United States ("US") dollar. These subsidiaries have been translated into the Canadian dollar in accordance with IAS 21, *Effects of Changes in Foreign Exchange Rates ("IAS 21")*. These guidelines require that assets and liabilities be translated using the exchange rate at period end, and income and expenses items are translated using the exchange rate at the dates of the transactions. All resulting exchange differences are recognized in other comprehensive loss.

For Multi-Met and its subsidiaries (with the exception of ICMC and Poly Resources) transactions denominated in currencies other than the Canadian Dollar are translated using the exchange rate in effect on the transaction date or at an average rate. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the balance sheet date. Non-monetary items are translated at historical rates. Exchange gains and losses arising from translation are recorded in the consolidated statements of loss and comprehensive loss.

Investments

Investments in which the Company exerts significant influence are accounted for using the equity method whereby the original cost of the investment is adjusted for the Company's share of earnings, losses and dividends. Investments in which the Company does not exert significant influence are classified as fair value through profit or loss and are measured at fair market value with unrealized gains or losses recorded in net loss before taxes.

3. Summary of significant accounting policies (cont'd)

Property, plant and equipment

Property, plant and equipment are recorded at cost, net of accumulated depreciation, and are depreciated as following:

- Office equipment and furniture: 30% declining balance method.

Unproven mineral right interests

The Company capitalizes into intangible assets all costs, net of any recoveries, of acquiring, exploring and evaluating an unproven mineral right interest, until the rights to which they relate are placed into production, at which time these deferred costs will be amortized over the estimated useful life of the rights upon commissioning the property, or written-off if the rights are disposed of, impaired or abandoned.

Management reviews the carrying amounts of mineral rights annually or when there are indicators of impairment and will recognize impairment based upon current exploration results and upon assessment of the probability of profitable exploitation of the rights. An indication of impairment includes but is not limited to expiration of the right to explore, substantive expenditure in the specific area is neither budgeted nor planned, and if the entity has decided to discontinue exploration activity in a specific area. Management's assessment of the mineral right's fair value is also based upon a review of other mineral right transactions that have occurred in the same geographic area as that of the rights under review.

Costs include the cash consideration and the fair value of shares issued on the acquisition of mineral rights. Rights acquired under option or joint venture agreements, whereby payments are made at the sole discretion of the Company, are not accrued and are only recorded in the accounts when the payments are made. Proceeds from property option payments received by the Company are netted against the deferred costs of the related mineral rights, with any excess being included in operations.

Costs incurred represent historical expenditures only and are not intended to be reflective of current or future fair or realizable values.

There may be material uncertainties associated with the Company's title and ownership of its unproven mineral right interests. Ordinarily the Company does not own the land upon which an interest is located, and title may be subject to unregistered prior agreements or transfers or other undetected defects.

Impairment of non-financial assets

At each date of the statement of financial position, 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.

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.

3. Summary of significant accounting policies (cont'd)

Impairment of non-financial assets (cont'd)

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 consolidated 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, but so 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.

Reclamation provision

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 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 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.

Provisions

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

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

Warrants

Proceeds from issuances by the Company of units consisting of shares and warrants are allocated based on the residual method, whereby the carrying amount of the warrants is determined based on any difference between gross proceeds and the estimated fair market value of the shares. If the proceeds from the offering are less than or equal to the estimated fair market value of shares issued, a nil carrying amount is assigned to the warrants.

3. Summary of significant accounting policies (cont'd)

Share-based payments

Employees (including directors and senior executives) of the Company may receive a portion of their remuneration in the form of share-based payment transactions, whereby employees render services as consideration for equity instruments ("equity-settled transactions").

In situations where equity instruments are issued for goods or services, the share-based payment is measured at the fair value of the goods and services received. Where the consideration cannot be specifically identified, they are measured at the fair value of the share-based payment.

The costs of equity-settled transactions with employees are measured by reference to the fair value at the date on which they are granted.

The costs of equity-settled transactions are recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ("the vesting date"). The cumulative expense is recognized for equity-settled transactions at each reporting date until the vesting date reflects the Company's best estimate of the number of equity instruments that will ultimately vest.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied provided that all other performance and/or service conditions are satisfied.

Where the terms of an equity-settled award are modified, the minimum expense recognized is the expense as if the terms had not been modified. An additional expense is recognized for any modification which increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee as measured at the date of modification.

Income tax

Income tax expense represents the sum of tax currently payable and deferred tax.

- Current income tax

  Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the statement of financial position.

- Deferred income tax

  Deferred income tax is provided using the liability method on temporary differences at the date of the statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

3. Summary of significant accounting policies (cont'd)

Income tax (cont'd)

Deferred income tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized except:

- where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred income tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred income tax assets is reviewed at each date of the statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets for unused tax losses, tax credits and deductible temporary differences are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been substantively enacted at the date of the statement of financial position.

Deferred income tax relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the statement of loss and comprehensive loss.

Income (loss) per share

Basic earnings (loss) per share are computed by dividing the net earnings (loss) attributable to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted earnings (loss) per share is computed similar to basic earnings (loss) per share except that the weighted average shares outstanding are increased to include additional shares for the assumed exercise of stock options and conversion of notes, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting periods.

Related party 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. Parties are also considered to be related if they are subject to common control or common significant influence, 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. Related party transactions that are in the normal course of business and have commercial substance are measured at the exchange amount, which is determined on a cost recovery basis.

3. Summary of significant accounting policies (cont'd)

Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. On initial recognition, financial assets are classified and measured at amortized cost, fair value through profit or loss ("FVTPL") or fair value through other comprehensive income ("FVOCI").

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is to holds assets to collect contractual cash flows, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL: (i) it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and (ii) its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the statement of loss and comprehensive loss.

The Company's financial instruments are classified and subsequently measured as follows:

Account	Classification
Cash and cash equivalents	Amortized cost
Trade and other receivables (excluding sales taxes)	Amortized cost
Investments	FVTPL
Trade and other payables	Amortized cost
Convertible debentures	Amortized cost
Derivative liability	FVTPL
Notes payable	Amortized cost
Promissory notes	Amortized cost

Impairment of financial instruments

The Company recognizes an allowance using the Expected Credit Loss ("ECL") model on financial assets classified as amortized cost. The Company has elected to use the simplified approach for measuring ECL by using a lifetime expected loss allowance for all amounts recoverable. Under this model, impairment provisions are based on credit risk characteristics and days past due. When there is no reasonable expectation of collection, financial assets classified as amortized cost are written off. Indications of credit risk arise based on failure to pay and other factors. Should objective events occur after an impairment loss is recognized, a reversal of impairment is recognized in the statement of loss and comprehensive loss.

Assets measured at amortized cost

If there is objective evidence that an impairment loss on assets carried at amortized cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is then reduced by the amount of the impairment. The amount of the loss is recognized in profit or loss.

3. Summary of significant accounting policies (cont'd)

Assets measured at amortized cost (cont'd)

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the extent that the carrying value of the asset does not exceed what the amortized cost would have been had the impairment not been recognized. Any subsequent reversal of an impairment loss is recognized in profit or loss.

In relation to trade receivables, a provision for impairment is made and an impairment loss is recognized in profit and loss when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Company will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are written off against the allowance account when they are assessed as uncollectible.

Derivative liability

The Company evaluates its convertible debt, options, warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for. This accounting treatment requires that the carrying amount of embedded derivatives be marked-to-market at each statement of financial position date and carried at fair value. In the event that the fair value is recorded as a liability, the change in fair value during the period is recorded in the statement of loss and comprehensive loss as either income or expense. Upon conversion, exercise or modification to the terms of a derivative instrument, the instrument is marked to fair value at the conversion date and then the related fair value is reclassified to equity.

In circumstances where the embedded conversion option in a convertible instrument is required to be bifurcated and there are also other embedded derivative instruments in the convertible instrument that are required to be bifurcated, the bifurcated derivative instruments are accounted for as a single, compound derivative instrument.

The classification of financial instruments, including whether such instruments should be recorded as liabilities or as equity, is re-assessed at the end of each reporting period. Equity instruments that are initially classified as equity that become subject to reclassification are reclassified to liability at the fair value of the instrument on the reclassification date. Derivative instrument liabilities will be classified in the statement of financial position as current or non-current based on whether or not net-cash settlement of the derivative instrument is expected within 12 months of the statement of financial position date.

Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and brokerage firms. There were no cash equivalents at June 30, 2022 and 2021.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized as an adjustment to interest expense over the period of the borrowings using the effective interest method.

Fees paid to establish loan facilities are recognized as transaction costs of the loan and are deferred and recognized as an adjustment to the effective interest rate on the loan once drawn.

(Expressed in Canadian dollars)

3. Summary of significant accounting policies (cont'd)

Borrowings (cont'd)

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability, or a portion of the liability, for at least 12 months after the reporting date.

4. Investments

	June 30 2022	June 30 2021
	$	$
Beginning of year	**8,140**	12,295
Changes in fair value	**(1,242)**	(4,155)
End of year	**6,898**	**8,140**

Investments include the following:

		June 30 2022	June 30 2021
		$	$
Golden Cariboo Resources Inc	a)	**20**	20
Belmont Resources	b)	**3,469**	3,006
Lucky Minerals	c)	**3,409**	5,114
		6,898	8,140

a) The Company holds 4,300 shares of Golden Cariboo Resources Inc.

b) The Company holds 46,250 shares of Belmont Resources.

c) The Company holds 48,699 shares of Lucky Minerals.

5. Trade and other receivables

Trade and other receivables are comprised of the following:

	June 30 2022	June 30 2021
	$	$
Trade receivables	**286**	286
GST receivable	**11,182**	5,518
	11,468	5,804

(Expressed in Canadian dollars)

6. Trade and other payables

Trade and other payables are comprised of the following:

	June 30 2022	June 30 2021
	$	$
Trade payables	**286,475**	2,046,062
Payables due to related parties (Note 14)	**95,356**	883
	381,831	2,046,945

On February 25, 2017, the Company entered a strategic financial relationship with Millennia Minerals (Singapore) ("Millennia") through a binding Memorandum of Understanding ("MOU") to be further consummated by the execution of a definitive agreement. As at June 30, 2021, Millennia had advanced $US1,000,000 to Poly Resources. As no definitive agreement had been finalized, this advance had been included in trade payables at June 30, 2021.

During the year ended June 30, 2022, the Company settled this payable amount in exchange for the issuance of a $US1,000,000 promissory note. (Refer to Note 20)

7. Property and equipment

	Office equipment and furniture	**Land**	**Total**
Cost:	$	$	$
Balance at June 30, 2020	175,562	1,218,145	1,393,707
Additions	-	-	-
Balance at June 30, 2021	175,562	1,218,145	1,393,707
Additions	-	236	236
Balance at June 30, 2022	175,562	1,218,381	1,393,943
Accumulated depreciation:			
Balance at June 30, 2020	174,423	-	174,423
Depreciation	1,139	-	1,139
Balance at June 30, 2021	175,562	-	175,562
Depreciation	-	-	-
Balance at June 30, 2022	175,562	-	175,562
Carrying amount:			
At June 30, 2021	-	1,218,145	1,218,145
At June 30, 2022	-	1,218,381	1,218,381

Land includes the cost of acquiring three parcels of land in Boise County, Idaho.

8. Unproven mineral right interests

CUMO PROJECT (United States)

CuMo Property

The CuMo Project is situated in south-central Idaho, approximately 15 miles northeast of the town of Idaho City. It consists of 105 unpatented mineral claims.

The project was optioned to the Company by CuMo Molybdenum Mining Inc. in 2004. The terms of the option agreement called for 300,000 Multi-Met shares (issued) and a combination of advance royalty payments and work requirements outlined below.

1. Advance royalty payments:

   - US$10,000 upon signing (completed);
   - US$10,000 after 60 days (completed);
   - US$5,000 after 6 months (completed);
   - US$20,000 1st year anniversary (completed);
   - US$20,000 2nd year anniversary (completed);
   - US$15,000 3rd year anniversary (completed);
   - US$15,000 every 6 months thereafter (up-to-date).

   These payments are to be credited against a 1.5% net smelter return (“NSR”) which reduces to 0.5% NSR after cumulative payments of US$3,000,000.

2. Work requirements:

   - US$25,000 during the first year (completed);
   - At least US$50,000 each year thereafter (up-to-date).

Adair Property

On February 5, 2017, the Company completed an agreement to acquire from a group of local prospectors twenty (20) unpatented mining claims adjacent to the CuMo property. The consideration payable for the claims was a one-time payment of the issuance of ICMC’s 7-year term silver convertible debenture valued at US$ 250,000 (issued), one million common shares of Multi-Met (issued), and the sum of US$ 10,625 (paid) representing an advance on the initial 6-month interest payment on the convertible debenture.

BOISE PROPERTY (United States)

On July 8, 2012, the Company completed an option agreement to purchase three parcels of land that included surface rights located in Boise County, Idaho. These parcels of land, inclusive of six patented claims, are contiguous to and provide access to the CuMo project. The costs associated with this property are recorded in property and equipment. (Refer to Note 7)

CALIDA GOLD (United States)

On October 31, 2016, the Company entered into an option agreement to purchase certain mineral claims located in Lemhi County, Idaho. Subsequent to entering into the option agreement, Poly Resources staked an additional 45 claims at this property.

8. Unproven mineral right interests (cont'd)

CALIDA GOLD (United States) (cont'd)

During the year ended June 30, 2022, the Company allowed all of the remaining claims to lapse. In anticipation of allowing these claims to lapse, the Company wrote off the remaining balance related to this property during the year ended June 30, 2021, resulting in a write-down of unproven mineral right interests of $1.

OTHER PROPERTIES (United States)

The Spruce Mountain property was made up of three parcels of land in Elko County, Nevada.

During the year ended June 30, 2022, the Company sold this property for total proceeds of $253,760 (US$200,458) and recognized a corresponding gain on the statement of loss and comprehensive loss.

BLEIBERG PROPERTY (Austria)

On December 1, 2020, ICMC entered into a Purchase and Sale Agreement to acquire a 100% interest in 116 mining concessions making up the Bleiberg Property, located in Austria.

To acquire a 100% interest in the property, the Company is required to meet the following terms:

- Issue to the seller 10,000,000 common shares of Multi-Met upon the execution of the agreement (issued, at a value of $550,000);
- Issue to the seller 20,000,000 common shares of ICMC upon the execution of the agreement (issued, at a nominal value of US$1 due to an inability to otherwise accurately determine a value for the interest in ICMC);
- Within 10 days of ICMC completing a financing of US$2,000,000, the seller is to be paid $Euro 235,000 (paid); and
- If ICMC has not obtained a public listing withing one year of completing the US$2,000,000 financing, Multi-Met is to issue an additional 6,000,000 common shares to the seller.

The Company is in the process of transferring the 116 mining concessions making up this property from ICMC to Poly Resources.

On October 19, 2022, the Company and its subsidiary, Poly Resources, entered into a Farm-In and Joint Venture Binding Heads of Agreement (the "Agreement") with Pathfinder Resources Ltd. ("Pathfinder") whereby Poly Resources agreed to grant to Pathfinder the exclusive right to earn up to an 80% interest in the Bleiberg project (the "Project") and to form a joint venture for the development and exploitation of the Project. Pathfinder had previously paid $25,000 to the Company upon the execution of the term sheet as consideration for being granted an exclusive right to undertake due diligence.

Pursuant to the terms of the Agreement:

- Poly Resources granted to Pathfinder an exclusive option to acquire a 15% legal and beneficial interest in the Project ("Stage 1 Farm-in Interest") by making a cash payment of $50,000 to Poly Resources ("Stage 1 Farm-in Condition") within five business days of the renewal of the terms of the tenements comprising the Project to beyond December 31, 2022.
- Pathfinder will issue to Poly Resources $177,500 worth of Pathfinder shares calculated based on the greater of: (i) the 10-day volume weighted average price of shares; and (ii) AUS$0.40 in further consideration for Pathfinder's acquisition of the Stage 1 Farm-in Interest within five business days of the satisfaction of the Stage 1 Farm-in Condition.

8. Unproven mineral right interests (cont'd)

BLEIBERG PROPERTY (Austria) (cont'd)

- Subject to Pathfinder satisfying the Stage 1 Farm-in Condition, Poly Resources agrees to irrevocably grant to Pathfinder an exclusive option to earn an additional undivided 36% legal and beneficial interest ("Stage 2 Farm-in Interest") in the Project by incurring a minimum of $1,000,000 of expenditures on the Project and by issuing to Poly Resources $377,500 worth of Pathfinder shares calculated based on the greater of: (i) the 10-day volume weighted average price of shares; and (ii)AUS$0.40 ("Stage 2 Farm-in Condition") within 24 months of completion of the Stage 1 Farm-in Condition.
- Subject to Pathfinder satisfying the Stage 2 Farm-in Condition, Poly Resources agrees to irrevocably grant to Pathfinder an exclusive option to earn an additional 14% legal and beneficial interest in the Project ("Stage 3 Farm-in Interest") by incurring an additional $3,500,000 of expenditures on the Project ("Stage 3 Farm in Condition") within 24 months of completion of the Stage 2 Farm-in Condition.
- Subject to the Pathfinder satisfying the Stage 3 Farm-in Condition, Poly Resources agrees to irrevocably grant to Pathfinder an exclusive option to earn an additional 15% legal and beneficial interest in the Project ("Stage 4 Farm-in Interest") upon completion of an independent Bankable Feasibility Study that is compliant with the JORC Code and indicates that the Project will have a production rate of at least 100,000 tonnes per year (200 tonnes per day) ("Stage 4 Farm-in Condition") within 6.5 years of the execution date of the Agreement.

On and from the satisfaction of the Stage 1 Farm-in Condition (the "Joint Venture Commencement Date"), the parties will be deemed to have formed a joint venture for the purpose of exploration and development of the Project. Subject to the Agreement, Poly Resources and Pathfinder will contribute to the joint venture expenditures in proportion to their joint venture interests, except that a joint venturer ("Opt-out Party") may elect not to continue contributing to further joint venture expenditures, in which case, the joint venture interest of the Opt-out Party will be subject to reduction by dilution.

(Expressed in Canadian dollars)

8. Unproven mineral right interests (cont'd)

The carrying value of the Company's unproven mineral right interests consists of the following:

	Cumo	Calida	Bleiberg	Total
	$	$	$	$
Balance, June 30, 2020	**23,622,426**	**1**	**-**	**23,622,427**
Exploration expenditures:				
Environmental studies	181,522	-	-	181,522
Other items:				
Acquisition costs and payments	37,915	-	554,533	592,448
Exchange rate change	(417,196)	-	(3,133)	(420,329)
Write-off of costs	-	(1)	-	(1)
Balance, June 30, 2021	**23,424,667**	**-**	**551,400**	**23,976,067**
Exploration expenditures:				
Environmental studies	(110,757)	-	-	(110,757)
Engineering	118,092	-	-	118,092
Community relations	71,517	-	-	71,517
Other exploration expenses	21,494	-	-	21,494
Other items:				
Acquisition costs and payments	85,554	-	345,782	431,336
Exchange rate change	175,048	-	21,889	196,937
Recoveries	-	-	(25,000)	(25,000)
Balance, June 30, 2022	**23,785,615**	**-**	**894,071**	**24,679,686**

9. Notes payable

In order to finance the ongoing development of the CuMo Project the Company borrowed from International Energy & Mineral Resources Investment (Hong Kong) Company Limited ("IEMR HK") the principal amount of $1,500,000 and US$1,500,000, and issued secured convertible notes (the "Notes") in respect of such indebtedness to IEMR HK (the "Financing"). These Notes matured in October and November 2017, respectively (the "Maturity Dates").

At the Maturity Dates, the Company made principal repayments of $500,000 and US$500,000 against the respective Notes.

On February 5, 2018, IEMR HK submitted a claim for judgement against the Company in the British Columbia Supreme Court for the outstanding $1,000,000 and US$1,000,000 principal amounts, plus interest and court costs. On March 2, 2018, the Company submitted a counterclaim against IEMR HK and other related entities for $2,106,472 and US$80,000, plus interest and other court costs.

Per the terms of the Financing, the Notes are no longer convertible into shares of the Company as the Maturity Dates have passed. As the conversion feature is no longer available to IEMR HK, the Notes were reclassified into Notes Payable as at June 30, 2018. At the Maturity Date the equity conversion feature of $294,147 was transferred into Equity reserve.

(Expressed in Canadian dollars)

9. Notes payable (cont'd)

The Notes Payable continue to accrue interest at a rate of 6.5% per annum, calculated and accrued annually.

During the year ended June 30, 2022, the Company accrued $147,283 (2021 - $148,350) in interest expense related to the outstanding Notes Payable principal amounts.

The carrying values of the Notes Payable contain the following components:

		June 30, 2022	June 30, 2021
Principal		2,288,600	2,239,400
Accrued interest		688,997	528,743
		2,977,597	2,768,143

This note is secured by all of the assets of the parent company, Multi-Met.

(Expressed in Canadian dollars)

10. Promissory notes

ICMC has entered into four different promissory note agreements with separate third-party lenders as follows:

		June 30, 2022	June 30, 2021
a)	Promissory notes comprised of the sale of Idaho CuMo Units ("CuMo Unit") for total proceeds of US$1,250,000. Each CuMo Unit costs US$250,000, consists of a promissory note which accrues annual interest at 8.5%, matures 7 years from the date of issuance and includes an option to enter into a Silver Purchase Agreement Right with the Company. Upon notice that the triggering event has occurred (the decision by the Company to go into production), the CuMo Unit holder has 30 days to enter into the Silver Purchase Agreement Right. The Silver Purchase Agreement Right allows the holder to purchase up to 375,000 ounces of refined silver from the Company at price of US$5.00/ounce, plus make an upfront payment of US$250,000.00. The Silver Purchase Agreement Right expires if: a. it is not entered into within 30 days of the triggering event; or b. if the principle amount of the loan is prepaid in whole or in part prior to maturity (this prepayment requires the consent of the lender); or c. the maturity date is reached. These notes are secured by all of the assets of ICMC, except for the six patented claims that make up the Boise Property.	$ 1,610,750	$ 1,549,250
b)	Promissory note comprised of total proceeds of US$500,000. This loan accrues annual interest at 8.5% and was amended on January 29, 2016 to extend the maturity date to December 31, 2025. This loan also includes an option to enter into a Silver Purchase Agreement Right (same terms as noted above in a)) with the Company. This note is secured by the six patented claims which make up the Boise Property owned by ICMC.	644,300	619,700
c)	Promissory note comprised of total proceeds of US$500,000, issued pursuant to an option agreement that has since gone into default. This note has the same terms as those disclosed in Note 10 a), except this note is unsecured.	644,300	619,700
d)	Promissory notes comprised of loans totalling US$10,000 (2021 – US$20,000). These loans accrue annual interest at 8.5%, paid semi-annually, and mature seven years from the grant dates. The loans also contain a Silver Purchase Agreement Right that allows the holders to purchase up to 1 ounce of silver for every $1 of promissory note principal, at a price of US$5.00/ounce. These notes are secured by all of the assets of ICMC, except for the six patented claims that make up the Boise Property.	12,886	24,788

(Expressed in Canadian dollars)

e)	Promissory notes comprised of total proceeds of totalling US$1,089,000. These loans accrue annual interest at 7.5%, paid semi-annually, and mature seven years from the grant dates. The loans also contain a Silver Purchase Agreement Right that allows the holders to purchase up to 1 ounce of silver for every $1 of promissory note principal, at a price of US$5.00/ounce. These notes are secured by all of the assets of ICMC, except for the six patented claims that make up the Boise Property.	1,403,285	-
	Total principal outstanding	4,315,521	2,813,438
	Accrued interest	1,844,304	1,375,884
	Total	**$ 6,159,825**	**$ 4,189,322**

As at June 30, 2022, the Company has total promissory notes issued and outstanding in the amount of US$3,349,000 (2021: US$2,270,000). The Company has accrued aggregate interest of $1,844,304 as at June 30, 2022 (June 30, 2021: $1,375,884) in respect of these promissory notes.

11. Convertible debentures

As at June 30, 2022, the Company has borrowed $1,300,000 from multiple lenders in exchange for issuing convertible debentures (the "Debentures"). The Debentures have the following terms:

Outstanding Principle	
$ 1,300,000	These Debentures pay interest at 8.75% per annum, payable on a quarterly basis, and are automatically renewed on an annual basis at the discretion of the lender, with a maximum duration of five years. In the event that the lender does not renew the Debenture, the Company has 90 days to repay the outstanding principal, plus any accrued interest. The Debentures are convertible into units of the Company at $0.075 per unit until one year after the issue date, and then $0.10 per unit thereafter. Each unit consists of one common share of the Company, and one warrant. The warrants are exercisable at $0.1125 per share, and expire five years from the grant date. The Debentures can be converted into common shares any time after four months and one day from the issuance of the Debenture.
$ 1,300,000	

The Company has accounted for this convertible debt by utilizing a valuation model to estimate the fair values of both the debt and the derivative instruments associated with the conversion feature, and to record the proceeds initially received on that basis. The derivative instruments are then adjusted to estimated fair value on an ongoing basis, while the debt is accreted to its face amount, inclusive of accrued interest, over its term. Both elements are aggregated within the balance sheet presentation of convertible debentures, with the related subsequent adjustments through operations also aggregated with Convertible debenture expense. On conversion, the current balances of the related debt, inclusive of the derivative liability, are transferred to share capital.

During the year ended June 30, 2022, the Company did not issue any Debentures (2021 – issued Debentures for aggregate proceeds of $1,407,425).

(Expressed in Canadian dollars)

11. Convertible debentures (cont'd)

The continuity of the balances of the Debentures is as follows:

	Outstanding Debentures	Equity component of convertible Debentures	Accrued interest	Total
	$	**$**	**$**	**$**
June 30, 2020	**2,930,179**	**(343,154)**	**688,618**	**3,275,643**
Issuance of debentures (cash)	641,110	-	-	641,110
Issuance of debentures (transfer from secured notes, see Note 12)	71,680	-	-	71,680
Issuance of debentures (settlement of debt)	694,635	-	-	694,635
Conversion of debentures	(1,584,104)	343,154	(148,136)	(1,389,086)
Accrued interest	-	-	389,214	389,214
Revaluation of embedded derivative	-	-	307,654	307,654
June 30, 2021	**2,753,500**	**-**	**1,237,350**	**3,990,850**
Conversion of debentures	*(1,453,500)	-	*(764,032)	(2,214,532)
Accrued interest	-	-	**274,151	271,151
Revaluation of embedded derivative	-	-	**(245,754)	(245,754)
June 30, 2022	**1,300,000**	**-**	**501,715**	**1,801,715**

**The total of $480,051 was transferred to share capital (2021 - $1,732,240).*

***The aggregate total of $28,397 is reported as convertible debenture expense (2021: $696,868) in the Company's statement of loss and comprehensive loss.*

The Debentures are secured by all of the assets of ICMC, except for the six patented claims that make up the Boise Property.

12. Secured loans

During the year ended June 30, 2019, the Company received $125,000, $50,000 of which was payable on August 14, 2019, with the remaining $75,000 having been payable on September 4, 2019. These loans bore interest at 5% per month, payable every 30 days from the original loan date. Upon repayment of the principal balance and any accrued interest, the Company has agreed to pay loan bonuses totalling $25,000.

During the year ended June 30, 2020, the $75,000 secured loan, $15,000 of the loan bonus, plus any accrued interest, was settled in exchange for a $100,000 convertible debenture.

On October 15, 2019, the remaining $50,000 secured loan principal balance, plus the remaining $10,000 loan bonus and any accrued interest was converted into a $67,500 secured note. This loan pays interest at 8.75% per annum, calculated annually and paid quarterly, and matures on October 15, 2024.

As at June 30, 2020, this loan had accrued interest of $4,180.

During the year ended June 30, 2021, the entire principle plus accrued interest, being $71,680, was converted into a Debenture.

(Expressed in Canadian dollars)

13. Reclamation bonds and provisions

The Company's reclamation bonds relate to the following Company properties:

	June 30, 2022	June 30, 2021
	$	$
CuMo**	-	-
Pine Tree	48,050	48,050
Cariboo	500	500
General reclamation bonds	3,249	3,249
	51,799	51,799

These bonds are expected to be refunded to the Company once the government agencies are satisfied that the Company has performed all necessary reclamation activities.

** During fiscal year 2016 the CuMo project cash bond was refunded to the Company and replaced with a surety from a third party. In exchange for the third party agreeing to guarantee to fund the required Bureau of Land Management reclamation bond - currently US$278,000, the Company was required to pay a security deposit of US$100,000 and make ongoing annual payments of US$8,340.

The surety deposit of $123,940 is refundable when the Company completes the required reclamation clean-up costs.

The Company's estimated reclamation provisions relate to the following Company properties:

	June 30, 2022	June 30, 2021
	$	$
CuMo	130,090	130,090
Pine Tree	47,764	47,764
	177,854	177,854

Although the Company does not anticipate being required to perform significant reclamation activities, to be conservative, it has recorded provisions for estimated reclamation costs based on the assumption that the amounts of the reclamation bonds posted with government authorities and the amount of the non-current deposit (surety deposit), approximate the best estimate of the net present value of expected future reclamation costs that may need to be incurred by the Company.

The estimated reclamation provision is comprised of deposits to the Bureau of Land Management, the United States Forest Service, the third-party provider of the surety, and other agencies for the above properties.

(Expressed in Canadian dollars)

14. Related party transactions

Details of the transactions between the Company and other related parties are disclosed below.

(a) Compensation of key management personnel

The Company's related parties consist of companies owned by or associated with executive officers and directors as follows:

	Nature of transactions
Dykes Geologic Systems Ltd.	Exploration and administration fees
Chief Financial Officer – Greg Powell	Management fees
Former Chief Financial Officer – Trevor Burns	Management fees
ICMC Chief Financial Officer – Robert Scannell	Management fees
ICMC Chief Operating Officer – Andrew Brodkey	Management fees
ICMC Chief Executive Officer – Steven Rudofsky	Management fees

During the years ended June 30, 2022 and 2021, the Company incurred the following fees in the normal course of operations in connection with companies owned by key management and directors. Fees have been measured at the exchange amount which is determined on a cost recovery basis.

	2022	2021
	$	$
Salaries and Management fees	849,476	314,748
Share-based compensation	189,533	388,000
Exploration fees	194,813	16,164
	1,233,822	718,912

Dykes Geologic Systems Ltd. ("Geologic Systems") is 50% owned by Shaun Dykes, President and CEO of the Company, and 50% owned by his spouse. Dykes Geologic Systems Ltd. is the full legal name. The company is also known as Geologic Systems Ltd., which is its trade name.

Amounts due to related parties are unsecured, non-interest bearing and due on demand. Trade and other payables at June 30, 2022 included $95,356 (June 30, 2021: $882), which were due to officers, directors and private companies controlled by directors and officers of the Company.

The $95,356 (2021 - $882) owed under trades payable is owed to the following related parties:

- $95,356 (2021 - $Nil) is owed to Andrew Brodkey, consisting of management fees for the year.
- $Nil (2021 - $882) is owed to Geologic Systems, consisting of salaries and exploration fees for the year (plus GST) and expenses paid to support the Company.

(Expressed in Canadian dollars)

14. Related party transactions (cont'd)

(a) Compensation of key management personnel (cont'd)

The remuneration of directors and other members of key management personnel during the years ended June 30, 2022 and 2021 were as follows:

	Note	2022	2021
		$	$
Salaries and fees	(i)	1,044,289	330,912
Share-based compensation		189,533	388,000
		1,233,822	718,912

(i) Salaries and fees include salaries and management fees disclosed in chart on page 29.

(b) Common share issuances

During the year ended June 30, 2022:

- Shaun Dykes, and parties related to Shaun Dykes, subscribed for 3,426,600 units, as described at Note 15(a), and were also issued 3,900,000 common shares in connection with the exercise of warrants. A portion of the proceeds from these issuances were used to settle amounts owing to Geologic Systems. The amounts owing to Geologic Systems were comprised of management fees, exploration consulting fees and expense reimbursements applicable to the current and past fiscal years. Parties related to Shaun Dykes subscribed for units of $127,355 in excess of amounts currently owed to Geologic Systems, for which payment had not been received at year-end.

- Shaun Dykes, and parties related to Shaun Dykes, subscribed for 2,890,000 units of ICMC, as described in Note 15(c). The proceeds from these issuances, being $372,405 (UD$289,000), were used to settle amounts owing to Geologic Systems. The amounts owing to Geologic Systems were comprised of management fees, exploration consulting fees and expense reimbursements applicable to the current and past fiscal years.

- Robert Scannell subscribed for 3,050,000 units of ICMC (as described in Note 15(c)) for gross proceeds of US$305,000. Of this amount, US$200,000 was advanced to Robert Scannell for management fees related to his services for the period from January 1, 2022 to December 31, 2022. US$100,000 of this amount is recorded in prepaid expenses as at June 30, 2022.

- Steven Rudofsky subscribed for 2,500,000 units of ICMC (as described in Note 15(c)) for gross proceeds of US$250,000. This amount was advanced to Steven Rudofsky for management fees related to his services for the period from January 1, 2022 to December 31, 2022. US$125,000 of this amount is recorded in prepaid expenses as at June 30, 2022.

- Andrew Brodkey subscribed for 820,000 units of ICMC (as described in Note 15(c)) for gross proceeds of US$82,000. This amount was advanced to Andrew Brodkey for management fees related to his services for the period from January 1, 2022 to December 31, 2022. US$41,000 of this amount is recorded in prepaid expenses as at June 30, 2022

14. Related party transactions (cont'd)

(b) Common share issuances (cont'd)

During the year ended June 30, 2021:

- the Company issued 19,004,265 units, as described at Note 15(b), to parties related to Shaun Dykes in connection with the conversion of Debentures. A portion of the proceeds from these debentures was used to settle amounts owing to Geologic Systems. The amounts owing to Geologic Systems were comprised of management fees, exploration consulting fees and expense reimbursements applicable to the current and past fiscal years. Parties related to Shaun Dykes subscribed for debentures of $137,200 in excess of amounts currently owed to Geologic Systems, which upon conversion resulted in the issuance of 2,750,000 units for which payment had not been received at year-end.

15. Capital and equity reserve

(a) *Capital*

At June 30, 2022, the Company's authorized share capital consisted of an unlimited number of common shares without par value.

Fiscal 2022

On December 31, 2021, the Company issued 15,000,000 units for gross proceeds of $750,000. Each unit was comprised of one common share and one transferable common share purchase warrant, with each warrant exercisable to purchase one common share for a period of 60 months from the date of the closing, at a price of $0.075 per common share. The Company paid finders fees of $71,051 and issued 2,730,000 finders' warrants in connection with this financing. These finders' warrants are exercisable at $0.075 per common share, and expire on April 21, 2027. These warrants were ascribed a value of $76,440. As at June 30, 2022, the Company had issued 2,547,100 units for which payment of $127,355 had not been received. Refer also to Note 14(a).

The Company issued, by way of the conversion of Debentures, an aggregate of 6,605,660 units. These units contained one common share and one warrant (Refer to Note 11). Each warrant entitles the holder to purchase one common share at a price of $0.075, for a period of five years.

The Company also issued, by way of warrants exercised, an aggregate of 3,900,000 common shares for gross proceeds of $292,500. Refer also to Note 14(a).

Fiscal 2021

On March 17, 2021, the Company issued 10,000,000 common shares pursuant to the Bleiberg Property Purchase and Sale Agreement (Refer to Note 8). These shares were ascribed a value of $550,000.

The Company issued, by way of the conversion of Debentures, an aggregate of 31,178,045 units. These units contained one common share and one warrant (Refer to Note 11). Each warrant entitles the holder to purchase one common share at a price of $0.075, for a period of five years. The Company issued 300,000 finder's warrants as a result of these conversions.

15. Capital and equity reserve (cont'd)

(a) *Capital (cont'd)*

Of the 31,178,045 units issued to settle Debentures, 24,921,710 units were issued at a conversion price of $0.05 to settle outstanding principal amounts of $1,246,085, 4,649,127 units were issued at a conversion price of $0.075 to settle outstanding principal amounts of $348,685, and 1,607,208 units were issued at a conversion price of $0.05 to settle outstanding accrued interest amounts of $80,359. Refer also to Note 14(b).

The Company also issued, by way of warrants exercised, an aggregate of 5,688,830 common shares for gross proceeds of $426,734.

(b) *Equity reserve*

<u>Share Options</u>

Equity reserve consists of the accumulated fair value of common share options and share purchase warrants recognized as share-based payments.

The Company has an incentive share option plan under which directors, officers, consultants and employees of the Company are eligible to receive stock options. The maximum number of shares reserved for issuance upon exercise of all options granted under the plan is equal to 10% of the then issued and outstanding common shares. No more than 5% of the issued shares may be issued to any eligible person other than a consultant in any 12-month period unless disinterested shareholder approval has been obtained. No more than 2% of the issued shares may be issued to any one consultant in any 12-month period. No more than 2% of the issued shares may be issued to all employees in the aggregate conducting investor relations activities in any 12-month period.

The exercise price of share options is determined by the Board of Directors at the time of grant and may not be less than the discounted market price as calculated and defined in accordance with the policies of the TSX-V. Options granted must be exercised no later than 10 years commencing from the later of the date of grant or such lesser period as determined by the Board. Options shall terminate automatically or 90 days after optionees no longer act as officers, directors or consultants of the Company. In the case of death, options shall terminate within one year from the event.

Once approved, all options are considered vested and are exercisable at any time, except where other vesting periods are determined by the Board.

On April 21, 2022, the Company granted 6,400,000 share options to officers, directors and consultants of the Company. These share options are exercisable at $0.065 per common share, and expire on April 21, 2027. These options vest immediately.

On January 20, 2021, the Company granted 10,600,000 share options to officers, directors and consultants of the Company. These share options are exercisable at $0.065 per common share, and expire on January 21, 2026. Of these share options, 10,100,000 vested immediately, and the remaining 500,000 vest in four equal tranches, every three months after the grant date.

During the year ended June 30, 2022, share-based compensation of $210,333 (2021: $429,000) was recognized for share options granted and vested during the year.

(Expressed in Canadian dollars)

15. Capital and equity reserve (cont'd)

(b) *Equity reserve (cont'd)*

Share Options

The Company employed the Black-Scholes option-pricing model using the following assumptions:

	2022	2021
Risk free interest rate	2.80%	0.43%
Expected life of options in years	5 years	5 years
Expected volatility	99.61%	92.56%
Dividend per share	$0.00	$0.00
Forfeiture rate	0%	0%

Share options outstanding during the years ended June 30, 2022 and 2021 were as follows:

		Year ended June 30, 2022		Year ended June 30, 2021
	Number of options	**Weightage average exercise price**	Number of options	Weightage average exercise price
		$		$
Balance, beginning of year	**17,775,000**	**0.11**	10,725,000	0.18
Options granted	**6,400,000**	**0.065**	10,600,000	0.065
Options expired	**(1,900,000)**	**0.28**	(3,550,000)	0.19
Balance, end of the year	**22,275,000**	**0.09**	17,775,000	0.11

(Expressed in Canadian dollars)

15. Capital and equity reserve (cont'd)

(b) *Equity reserve (cont'd)*

The following table summarizes information about share options outstanding and exercisable at June 30, 2022:

Options Outstanding and Exercisable			
		Weightage average	Weightage average
		exercise	remaining
Exercise	Options	price	contractual
Price	outstanding	$	life(years)
0.15	5,275,000	0.15	0.81
0.065	10,600,000	0.065	3.56
0.065	6,400,000	0.065	4.81
	22,275,000	0.09	3.27

Warrants

At June 30, 2022, the Company had 78,855,135 warrants outstanding as a result of the private placements and rights offerings.

Warrants outstanding during the years ended June 30, 2022 and 2021 were as follows:

		Year ended June 30, 2022		Year ended June 30, 2021
	Number of warrants	**Weightage average exercise price**	Number of warrants	Weightage average exercise price
		$		$
Balance, beginning of year	**59,890,940**	**0.09**	48,743,225	0.12
Warrants granted	**24,025,365**	**0.075**	31,478,045	0.075
Warrants exercised	**(3,900,000)**	**0.075**	(5,688,830)	0.075
Warrants expired	**(1,161,170)**	**0.08**	(14,641,500)	0.15
Balance, end of the year	**78,855,135**	**0.09**	59,890,940	0.09

(Expressed in Canadian dollars)

15. Capital and equity reserve (cont'd)

(b) *Equity reserve (cont'd)*

The following table summarizes information about warrants outstanding and exercisable at June 30, 2022:

Warrants Outstanding and Exercisable			
		Weightage Average	Weightage Average
		exercise	remaining
Exercise	Warrants	price	contractual
Price	outstanding	$	life(years)
0.125	18,502,365	0.125	0.43
0.1125	4,849,360	0.1125	0.76
0.075	55,503,410	0.075	2.84
	78,855,135	0.09	2.99

The warrants outstanding as at June 30, 2022 have a weighted-average remaining life of 2.99 years (2021: 2.84 years).

(c) *Transactions with non-controlling interests*

During the year ended June 30, 2022, ICMC completed a financing by way of issuing 31,000,000 units (the "Unit") of ICMC at a price of US$0.10 per Unit, for gross proceeds of US$3,100,000. Each unit was comprised of one common share of ICMC and a common share purchase warrant to purchase an additional common share of ICMC for US$0.15, for a period of five years.

Of the total Units issued 5,555,000 units were issued to Multi-Met, and the remaining 25,445,000 units were issued to non-controlling interests. The Company received total proceeds from non-controlling interests of US$2,544,500 ($3,201,527).

Convertible debenture holders subscribed for 13,225,000 units for gross proceeds of US$1,322,500 ($1,704,173). These proceeds were used to repay the associated outstanding convertible debenture balances.

(Expressed in Canadian dollars)

16. Income taxes

Income tax expense reported differs from the amount computed by applying the federal and provincial income tax rates, applicable to the Company, to the loss before the tax provision due to the following:

	Year ended June 30, 2022	Year ended June 30, 2021
	$	$
Net loss before taxes	**(2,094,288)**	(2,348,448)
Statutory tax rate	**24.54%**	27.40%
Expected income tax recovery	**(514,019)**	(643,726)
Effect of deductible/non-deductible items for income tax purposes	**148,954**	408,732
Unrecognized benefit of non-capital losses	**365,065**	234,994
Adjustment of deferred income tax liability to actual	**(493,776)**	(114,142)
Deferred income tax recovery	**(493,776)**	(114,142)

The components of the Company's deferred tax liabilities and unrecognized deferred tax assets are as follows:

	For the year ended June 30, 2022	June 30, 2021
Deferred tax asset: non-capital losses net of valuation allowance	**$ 3,711,540**	$ 3,130,235
Deferred tax liability: mineral properties	**(6,242,013)**	(6,203,387)
Deferred tax liability: land	**(341,147)**	(334,990)
Deferred tax asset: undepreciated cost of capital	**-**	2,158
Deferred tax asset: investments	**2,426**	2,213
Deferred tax asset: share issue costs	**16,895**	6,462
Deferred tax asset: net capital losses	**1,748,734**	1,799,969
Net deferred tax liability	**$ (1,103,564)**	$ (1,597,340)

(Expressed in Canadian dollars)

16. Income taxes (cont'd)

The Company's deductible temporary differences and unused tax losses consist of the following amounts:

	Year ended June 30, 2022	Year ended June 30, 2021
	$	$
Non-capital losses	**14,052,000**	11,427,000
Unproven mineral right interests	**(23,709,070)**	(22,647,972)
Land	**(1,218,381)**	(1,218,145)
Plant, equipment and other	**-**	7,849
Investments	**17,331**	16,089
Share issue costs	**60,341**	23,499
Net capital losses	**6,245,478**	6,545,343
	(4,552,301)	(5,846,337)

The Company has non-capital losses of approximately $10,866,000 (2021: $8,989,000) in its Canadian operations and $3,186,000 (2021: $2,438,000) in its United States operations for income tax purposes which are available to reduce future taxable income.

(Expressed in Canadian dollars)

17. Segmented information

The Company operates in three geographical areas, being Canada, the United States and Austria. The following is an analysis of the Company's assets by geographical area and reconciled to the Company's consolidated financial statements:

	June 30, 2022	June 30, 2021
	$	$
Assets by geographic segment, at cost		
Canada		
Current Assets	**87,550**	241,360
Reclamation bonds	**3,749**	3,749
	91,299	245,109
United States		
Current assets	**526,574**	848
Reclamation bonds	**48,050**	48,050
Non-current deposits	**123,940**	123,940
Property, plant and equipment	**1,218,381**	1,218,145
Unproven mineral right interests	**23,785,615**	23,424,667
	25,702,560	24,815,650
Austria		
Unproven mineral right interests	**894,071**	551,400
	894,071	551,400
	26,687,930	25,612,159

18. Financial and capital risk management – Financial instruments

Financial risk management

The Company's activities expose it to a variety of financial risks, which include liquidity risk, interest rate risk, currency risk and credit risk.

a) 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 close controls on cash requirements and regular updates to short-term cash flow projections, and by raising additional capital as required from time to time.

(Expressed in Canadian dollars)

18. Financial and capital risk management – Financial instruments (cont'd)

Financial risk management (cont'd)

a) Liquidity risk (cont'd)

The Company's financial liabilities fall due as indicated in the following table:

At June 30, 2022	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	381,831	381,831	-	-	-
Promissory note	6,159,825	-	1,302,570	3,383,424	1,473,831
Convertible debentures	1,801,715	1,801,715	-	-	-
Notes payable	2,977,597	2,977,597	-	-	-
	11,320,968	5,161,143	1,302,570	3,383,424	1,473,831

At June 30, 2021	Total	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
Trade and other payables	2,046,945	2,046,945	-	-	-
Promissory note	4,189,322	980,715	-	3,208,607	-
Convertible debentures	3,990,850	3,990,850	-	-	-
Notes payable	2,768,143	2,768,143	-	-	-
	12,995,260	9,786,653	-	3,208,607	-

b) Currency risk

The Company faces foreign exchange risk exposures arising from transactions denominated in foreign currencies. The Company's main foreign exchange risks arise with respect to the United States dollar. The Company has elected not to actively manage this exposure at this time.

c) Interest Rate Risk

Included in the results of operations of the Company are interest income on U.S. dollar and Canadian dollar cash. The Company also has outstanding promissory notes, convertible debentures, notes payable and secured loans (the "debts") denominated in Canadian and U.S. dollars. The Company's interest rate risk mainly arises from the interest rate impact on the debts outstanding. The interest rate risk is minimal as the debts are at fixed interest rates. The Company receives interest on cash based on market interest rates.

d) Credit Risk

Financial instruments that potentially subject the Company to credit risk consist of cash and amounts receivable. Cash is maintained with financial institutions in Canada and the United States and is redeemable on demand. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk. In 2022, the Company's accounts receivable are due from a government agency and other miscellaneous amounts. The Company does not consider it has any significant credit risk exposure on this receivable.

18. Financial and capital risk management – Financial instruments (cont'd)

Capital Risk Management

The Company's capital structure is comprised of working capital (current assets minus current liabilities) and equity. The Company's objectives when managing its capital structure is to maintain financial flexibility to preserve the Company's access to capital markets and its ability to meet its financial obligations. The Company's corporate office is responsible for capital management.

The Company will need to raise additional capital during fiscal 2023 to continue development of the CuMo Project and fund ongoing operations.

Capital management is undertaken to ensure a secure, cost-effective supply of funds to ensure the Company's corporate and project requirements are met.

Financial Instruments by Category

The Company's financial instruments consist of cash and cash equivalents, trade and other receivables (excluding sales tax), investments, trade and other payables, convertible debentures, notes payable, and promissory notes. Financial instruments are initially recognized at fair value with subsequent measurement depending on classification as described below. Classification of financial instruments depends on the purpose for which the financial instruments were acquired or issued, their characteristics, and the Company's designation of such instruments.

The fair value of cash and cash equivalents, trade and other receivables (excluding sales tax), trade and other payables, convertible debentures, notes payable and promissory notes approximate their carrying values due to the short-term maturities of these financial instruments. Investments consist of financial instruments traded in active markets and their fair value is based on quoted market prices at the statement of financial position date.

The Company is required to make disclosures about the inputs to fair value measurements, including their classification within a hierarchy that prioritizes the inputs to fair value measurement. The three levels of the fair value hierarchy are:

- Level 1 – Unadjusted quoted prices in active markets for identical assets and liabilities;
- Level 2 – Inputs other than quoted prices that are observable for the asset or liability directly or indirectly;
- Level 3 – Inputs that are not based on observable market data.

As at June 30 2022, the Company's financial instruments measured at fair value on a recurring basis were investments, which were classified as "Level 1".

(Expressed in Canadian dollars)

18. Financial and capital risk management – Financial instruments (cont'd)

The Company has made the following classifications for its financial instruments:

	2022	2021
	$	$
Financial Assets		
Subsequently measured at amortized cost:		
Cash and cash equivalents	**222,476**	137,831
Trade and other receivables (excluding sales tax)	**11,468**	5,804
	233,944	143,635
Fair value through profit or loss:		
Investments	**6,898**	8,140
	240,842	151,775
Financial liabilities		
Subsequently measured at amortized cost:		
Trade and other payables	**381,831**	2,046,945
Convertible debentures	**1,801,715**	3,990,850
Notes payable	**2,977,597**	2,768,143
Promissory notes	**6,159,825**	4,189,322
	11,320,968	12,995,260

19. Commitment

During 2016 the Company entered into a surety agreement that guarantees the reclamation bond on the CuMo Property (see Note 13). In order to maintain the good standing of this surety, the Company is required to make an annual payment of US$8,340.

20. Contingencies

a) During the year ended June 30, 2013, the Company received an invoice for $77,705 from Multi-Power Products Ltd., a supplier of drill supplies, and disputed this invoice. The drill supplies were shipped directly by the supplier to a Mexican company owned by a former director and officer of the Company. During the year ended June 30, 2014, Kirkness Diamond Drilling (a former subsidiary of the Company) and the Company were served with a Notice of Civil Claim by the supplier.

b) On April 1, 2016, the Company was notified of an action by a former officer of the Company regarding unpaid fees. The trial for this claim has been set for March 6, 2023. The Company believes this claim is without merit.

c) On February 5, 2018, IEMR HK submitted a claim for judgement against the Company (see Note 9). During the year ended June 30, 2022, IEMR HK obtained a judgment against the Company pursuant the Notes in the amounts of $1,271,397 plus the Canadian currency necessary to purchase US$1,271,398.

20. Contingencies (cont'd)

The Company has initiated a counterclaim against IEMR HK and a Third Party Notice against affiliates of IEMR HK and its principal, Hongxue Fu, claiming misrepresentation, breach of trust, fraud, misappropriate, and unjust enrichment pursuant to improper expenses IEMR HK incurred and charged to the Company and losses incurred from improper manipulation of the Company's share price. The Company's counterclaim and Third Party Notice is estimated at $2,106,473 and US$80,000. This counterclaim remains in process and its estimated timing to completion is unknown at this time.

d) On March 22, 2019, the Company was served with a notice of claim filed by ACEPAC. ACEPAC was seeking a claim for judgement against Multi-Met in the amount of US$1,000,000, plus interest, as well as damages for breach of contract and breach of trust and special costs. The claim relates to the US$1,000,000 payment received by Poly Resources, in connection with the MOU between Multi-Met, Poly Resources and Millennia. Refer to Note 6.

During the year ended June 30, 2022, Multi-Met and ACEPAC entered into a Settlement and Release Agreement whereby ICMC agreed to issue US$1,000,000 in ICMC Silver Units (a promissory note for US$1,000,000 and Silver Purchase Rights, being the right to enter into a silver purchase and sale agreement with ICMC) to Multi-Met. In turn, Multi-Met assigned the ICMC Silver Units to ACEPAC in full and final satisfaction of the claim. Refer to Note 10(e).

21. Supplemental non-cash disclosures

Non-cash investing and financing activities:

- The Company incurred $133,944 in unproven mineral rights interest expenditures which were amounts in trade and other payables as at June 30, 2022 (2021: $521,501).

22. Subsequent event

- ICMC entered into a non-binding term sheet with Joway Health Industries Group Inc. ("Joway Health") and JHP Holdings, Inc. ("JHP") pursuant to which ICMC will effect a reverse merger with Joway Health by which ICMC will merge with and into Joway Health.

  The parties intend to prepare an Agreement which upon execution will supersede the non-binding term sheet.

  This transaction is subject to the approval of any parties from whom consent is required, including the board of directors of the parties, the shareholders of the companies, and any applicable regulatory consents.