

ALTAN NEVADA MINERALS LIMITED

**CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS**
(Expressed in US Dollars)

MARCH 31, 2022
(Unaudited)

Index

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ALTAN NEVADA MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT
(Expressed in US Dollars)

Notice of Non-Review of Condensed Interim Consolidated Financial Statements

The attached condensed interim consolidated financial statements for the three-month period ended March 31, 2022 have not been reviewed by the Company's auditors.

ALTAN NEVADA MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT
(Expressed in US Dollars)

	March 31, 2022 (Unaudited)	December 31, 2021 (Audited)
ASSETS		
Current Assets		
Cash at Bank	\$ 61,983	\$ 74,312
Receivables	26,493	46,756
Prepaid expenses and deposits	8,626	7,226
	<u>97,102</u>	<u>128,294</u>
Non-current Assets		
Reclamation bonds (Note 4)	6,288	6,288
Exploration and evaluation assets (Note 4)	830,283	808,746
	<u>\$ 933,673</u>	<u>\$ 943,328</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 364,565	\$ 347,262
Reclamation obligation (Note 4)	6,288	6,288
Due to related parties (Note 6)	89,107	88,947
	<u>459,960</u>	<u>442,497</u>
Shareholders' Equity		
Share capital (Note 7)	6,675,263	6,675,263
Reserves	5,011,495	4,993,532
Deficit	<u>(11,213,045)</u>	<u>(11,167,964)</u>
	<u>473,713</u>	<u>500,831</u>
	<u>\$ 933,673</u>	<u>\$ 943,328</u>

Nature and continuance of operations (Note 1)

Approved and authorized by the Board June 3, 2022.

<u>"Brian Cole"</u>	Director	<u>"Evan Jones"</u>	Director
Brian Cole		Evan Jones	

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

ALTAN NEVADA MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE THREE MONTHS ENDED MARCH 31,
(Expressed in US Dollars)
(Unaudited)

	2022	2021
EXPENSES		
Advertising and promotion	\$ 6,686	\$ -
Bank Fees & Charges	187	-
Consulting and management fees (Note 6)	14,386	31,138
Foreign exchange loss (gain)	820	12,488
Interest	3,670	-
Office expenses	1,804	1,494
Rent	11,375	-
Transfer agent and filing fees	13,396	3,078
Loss for the period	(52,325)	(48,198)
Translation adjustment	71,777	(29,791)
Comprehensive profit/(loss) for the period	\$ 19,452	\$ (77,989)
Basic and diluted profit/(loss) per common share	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding		
– basic and diluted	71,539,943	71,539,943

ALTAN NEVADA MINERALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31,
(Expressed in US Dollars)
(Unaudited)

	2022	2021
CASH FLOWS USED IN OPERATING ACTIVITIES		
Loss for the year	\$ (52,325)	\$ (48,197)
Change in non-cash working capital items:		
Receivables	20,263	(20,484)
Prepaid expenses and deposits	(1,400)	-
Accounts payable and accrued liabilities	(902)	(20,409)
Due to/from related parties	160	(789)
Net cash used in operating activities	(34,203)	(87,858)
CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		
Repayment of advances payable	-	(20,720)
Net cash provided by financing activities	-	(20,720)
CASH FLOWS USED IN INVESTING ACTIVITIES		
Exploration and evaluation assets	(3,332)	17,808
Net cash provided by investing activities	(3,332)	17,808
Change in cash for the period	(37,535)	51,823
Change in reserves for the period	17,963	1,999
Change in Accumulated Deficit before net loss	7,241	-
Translation adjustment	-	5,609
Cash, beginning of period	74,312	137,687
Cash, end of period	\$ 61,983	\$ 93,472

Supplemental disclosure of cash flow information (Note 11)

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

ALTAN NEVADA MINERALS LIMITED**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)**

(Expressed in US Dollars)

(Unaudited)

	Number of Shares	Share Capital	Reserves	Deficit	Total Shareholders' Equity (Deficiency)
Balance at December 31, 2020 (Restated)	92,164,943	6,326,726	4,994,660	(10,871,252)	450,134
Loss for the year	-	-	-	(296,712)	(296,712)
Other comprehensive loss	-	-	(1,128)	-	(1,128)
Total comprehensive income	-	-	(1,128)	(296,712)	(297,840)
Shares issued from private placement, net of share issue costs	47,125,947	348,537	-	-	348,537
Balance at December 31, 2021	139,290,890	6,675,263	4,993,532	(11,167,964)	500,831
Loss for the period				(45,081)	(45,081)
Change in reserves			17,963		17,963
Share consolidation (1 for 10)	(125,361,801)	-			-
Balance at March 31, 2022	13,929,089	6,675,263	5,011,495	(11,213,045)	473,713

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

ALTAN NEVADA MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in US Dollars)

(Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

Altan Nevada Minerals Limited (the “Company”) is a mineral exploration company listed on the TSX Venture Exchange under the symbol “ANE” and engaged in the acquisition and exploration of exploration and evaluation assets in the United States. The Company’s head office and registered and records address is 1700 - 666 Burrard Street, Vancouver, British Columbia, V6C 2X8.

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The condensed interim consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The continuing operations of the Group are dependent upon its ability to continue to raise adequate financing and to commence profitable operations in the future. In order for the Group to meet its liabilities as they fall due and payable and to continue its operations, the Group is solely dependent upon its ability to generate such financing. The Group has received a promise to provide financial support of up to \$108,840 over the next nine months. In addition, the beneficiaries of accounts payable of \$260,015 have agreed that no calls will be made on any outstanding sums during the next twelve months, or until the Group has the financial ability to make such payments. It must be noted also that the Group has the ability to defer some expenditure which has currently been forecast for the next nine months. In addition, management are anticipating concluding a capital raising in the coming period to support the financial position of the Group. In the prior year, the Group successfully raised \$348,537 of equity funding. As at March 31, 2022, the Group had a working capital deficit of \$362,858 and an accumulated deficit of \$11,213,047.

Accordingly, the Directors believe that the going concern basis of preparation of the financial report remains appropriate after taking into account the above matters. However, the existence of the above financial conditions constitute material uncertainties which may cast significant doubt as to the ability of the Group to meet its obligations as they fall due and payable and accordingly, the appropriateness of the use of accounting principles applicable to a going concern.

Should the Group be unable to raise the required funds, the Group may be unable to meet its obligations, realize on 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 recorded on the consolidated statements of financial position. The consolidated financial statements do not include any adjustments relating to the recoverability and classification of asset amounts and classification of liabilities that might be necessary should the Group be unable to continue in existence.

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

2. BASIS OF PRESENTATION

Statement of compliance

These condensed interim consolidated financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and Interpretations issued by the International Financial Reporting Interpretations Committee (“IFRIC”). The condensed interim consolidated financial statements comply with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting”.

ALTAN NEVADA MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in US Dollars)

(Unaudited)

3. BASIS OF PRESENTATION (cont'd)**Statement of compliance (cont'd)**

The condensed interim consolidated financial statements have been prepared on a historical cost basis, except for financial instruments classified as financial instruments measured at fair value. All dollar amounts presented are in US dollars unless otherwise specified. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

The condensed interim consolidated financial statements were authorized for issue by the Board of Directors on June 3, 2022.

4. SIGNIFICANT ACCOUNTING POLICIES**Principles of Consolidation**

These condensed interim consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Altan Nevada Holdings Limited, Altan Rio (US) Inc. and Altan Nevada Minerals (Aust) Pty Ltd. All inter-company transactions and balances have been eliminated upon consolidation.

The condensed interim consolidated financial statements include the financial statements of Altan Nevada Minerals Limited and its subsidiaries listed in the following table:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
Altan Nevada Holdings Limited	Canada	100%	Holding company
Altan Rio (US) Inc.	US	100%	Project exploration
Altan Nevada Minerals (Aust) Pty Ltd	Australia	100%	Holding company

Foreign Currency Translation

The functional currency of an entity is the currency of the primary economic environment in which the entity operates. The functional currency of the Company and Altan Nevada Holdings Limited is the Canadian dollar. The functional currency of Altan Rio (US) Inc. is the US dollar. The functional currency of Altan Nevada Minerals (Aust) Pty Ltd is the Australian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in *IAS 21, The Effects of Changes in Foreign Exchange*.

Accordingly, the accounts of the Company, Altan Nevada Holdings Limited and Altan Nevada Minerals (Aust) Pty Ltd are translated into US dollars as follows:

- all of the assets and liabilities are translated at the rate of exchange in effect on the date of the consolidated statement of financial position;
- revenues and expenses are translated at the exchange rate approximating those in effect on the date of the transactions; and
- exchange gains and losses arising from translation are included in accumulated other comprehensive income/loss.

3. **SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Foreign Currency Translation (cont'd)

Transactions in currencies other than the functional currency of the Company are recorded at exchange rates prevailing on the dates of the transactions. At year end, monetary assets and liabilities are translated at the rate in effect on the date of the consolidated statement of financial position. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on transactions are included in the Condensed Interim Consolidated Statements of Loss and Comprehensive Loss.

Use of Estimates

Critical Judgments

The preparation of the condensed interim consolidated financial statements requires management to make judgments regarding the going concern of the Company as previously discussed in Note 1, as well as the determination of functional currency. The functional currency is the currency of the primary economic environment in which an entity operates and has been determined for each entity within the Company. The functional currency for the Company and its subsidiaries has been determined as disclosed above.

Key Sources of Estimation Uncertainty

Significant estimates made by management affecting our condensed interim consolidated financial statements include:

Deferred Tax Assets & Liabilities

The estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the Company's ability to utilize the underlying future tax deductions against future taxable income prior to expiry of those deductions. Management assesses whether it is probable that some or all of the deferred income tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income, which in turn is dependent upon the successful discovery, extraction, development and commercialization of mineral reserves. To the extent that management's assessment of the Company's ability to utilize future tax deductions changes, the Company would be required to recognize more or fewer deferred tax assets, and deferred income tax provisions or recoveries could be affected.

Recoverability of Exploration & Evaluation Assets

The Company is in the process of exploring and evaluating its exploration and evaluation assets and has not yet determined whether the properties contain mineral reserves that are economically recoverable. The recoverability of the amounts shown for exploration and evaluation assets are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain necessary financing to complete the development of those mineral reserves and upon future production or proceeds from the disposition thereof.

Share-based Payments

Estimating fair value for granted stock options requires determining the most appropriate valuation model which is dependent on the terms and conditions of the grant. This estimate also requires determining the most appropriate inputs to the valuation model including the expected life of the option, volatility, dividend yield, and rate of forfeitures and making assumptions about them. The value of the share-based payment expense for the year along with the assumptions and model used for estimating fair value for share-based compensation transactions are disclosed in Note 7.

3. **SIGNIFICANT ACCOUNTING POLICIES** (cont'd)

Exploration and Evaluation Assets

Before legal rights to explore a property have been acquired, costs are expensed as incurred. The Company records exploration and evaluation asset interests, which consist of the right to explore for mineral deposits, at cost. The Company records deferred exploration costs, which consist of costs attributable to the exploration of exploration and evaluation asset interests, at cost. All direct and indirect costs relating to the acquisition and exploration of these exploration and evaluation asset interests are capitalized on the basis of specific claim blocks until the exploration and evaluation asset interests to which they relate are placed into production, the exploration and evaluation asset interests are disposed of through sale or where management has determined there to be an impairment. If an exploration and evaluation asset interest is abandoned, the exploration and evaluation asset interests and deferred exploration costs will be written off to operations in the period of abandonment.

At each reporting period, the capitalized costs are reviewed on a property-by-property basis to consider if there is any impairment on the subject property. Management's determination for impairment is based on: 1) whether the Company's exploration programs on the exploration and evaluation asset interests have significantly changed, such that previously identified resource targets are no longer being pursued; 2) whether exploration results to date are promising and whether additional exploration work is being planned in the foreseeable future; or 3) whether remaining lease terms are insufficient to conduct necessary studies or exploration work.

The recorded cost of exploration and evaluation asset interests is based on cash paid and the assigned value of share consideration issued (where shares are issued) for exploration and evaluation asset interest acquisitions and exploration costs incurred. The recorded amount may not reflect recoverable value, as this will be dependent on future development programs, the nature of the mineral deposit, commodity prices, adequate funding and the ability of the Company to bring its projects into production.

Financial instruments

Classification

The Company classifies its financial instruments in the following categories: at fair value through profit or loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Company has opted to measure them at FVTPL. All of the Company's financial assets and liabilities are classified as and measured at amortized cost.

Measurement

Financial assets at FVTOCI

Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

ALTAN NEVADA MINERALS LIMITED

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FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in US Dollars)

(Unaudited)

3. **SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Financial instruments (cont'd)

Measurement (cont'd)

Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed through profit or loss. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are recorded through profit or loss in the period in which they arise. Where management has opted to recognize a financial liability at FVTOCI, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset's credit risk has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in profit or loss, as an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition

Financial assets

The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in profit or loss. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities

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

The Company's financial assets and liabilities are classified as follows:

	Classification
Cash	Amortized cost
Receivables	Amortized cost
Due from related parties	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Loans payable	Amortized cost
Due to related parties	Amortized cost

ALTAN NEVADA MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in US Dollars)

(Unaudited)

3. **SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Financial instruments (cont'd)

Derecognition (cont'd)

Financial instruments measured at fair value are summarized into the following fair value hierarchy as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: Inputs for the assets or liabilities that are not based on observable market data.

The carrying values of financial liabilities approximate their fair values due to the short-term nature of these instruments.

Impairment of long-lived assets

At the end of each reporting period, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's-length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the profit or loss for the period. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that 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. A reversal of an impairment loss is recognized immediately in profit or loss.

Income taxes

Income tax expense comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent it relates to items recognized directly in equity. Current tax expense is the expected tax payable on taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded using the asset and liability method, providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Temporary differences are not provided for relating to goodwill not deductible for tax purposes, the initial recognition of assets or liabilities that affect neither accounting nor taxable loss, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the consolidated statement of financial position date.

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

ALTAN NEVADA MINERALS LIMITED

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in US Dollars)

(Unaudited)

3. **SIGNIFICANT ACCOUNTING POLICIES (cont'd)**

Income (loss) per share

Basic income (loss) per share is calculated using the weighted-average number of shares outstanding during the year.

Dilutive effect on earnings per share is recognized on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year.

Existing stock options and share purchase warrants have not been included in the computation of diluted income (loss) per share as to do so would be anti-dilutive. Accordingly, basic and diluted income (loss) per share are the same for the periods presented.

Share-based compensation

The Company accounts for stock options granted to directors, officers and employees at the fair value of the options granted. The fair value of options granted is recognized as a share-based payment expense with a corresponding increase in equity. An individual is classified as an employee when the individual is an employee for legal or tax purposes (direct employee) or provides services similar to those performed by a direct employee. Consideration paid on the exercise of stock options is credited to share capital and the fair value of the options is reclassified from reserves to share capital.

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

Where equity instruments are granted to employees, they are recorded at the fair value of the equity instrument granted at the grant date. The grant date fair value is recognized in the statement of loss over the vesting period, described as the period during which all the vesting conditions are to be satisfied.

Stock options granted to non-employees are measured at the fair value of goods or services rendered or at the fair value of the instruments issued, if it is determined that the fair value of the goods or services received cannot be reliably measured.

Future reclamation costs

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of the Company's exploration and evaluation assets and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the year incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The increase in the provision due to the passage of time is recognized as finance expense.

ALTAN NEVADA MINERALS LIMITED**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND 2021

(Expressed in US Dollars)

(Unaudited)

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd)**Comprehensive income (loss)**

Comprehensive income (loss) consists of net income (loss) and other comprehensive income (loss) and represents the change in shareholders' equity which results from transactions and events from sources other than the Company's shareholders. The Company's and subsidiary's translation of its financial results to United States dollars is the only item currently affecting comprehensive income (loss) for the years presented.

Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. A lease liability is recognized at the commencement of the lease term at the present value of the lease payments that are not paid at that date. At the commencement date, a corresponding right-of-use asset is recognized at the amount of the lease liability, adjusted for lease incentives received, retirement costs and initial direct costs. Depreciation is recognized on the right-of-use asset over the lease term. Interest expense is recognized on the lease liabilities using the effective interest rate method and payments are applied against the lease liability.

4. EXPLORATION AND EVALUATION ASSETS

	Period Ended March 31 2022	Year Ended December 31 2021
	\$	\$
Costs carried forward in respect of:		
Exploration and evaluation phase – at cost		
Balance at beginning of year	808,746	798,359
Expenditure incurred, net of cost recoveries	21,537	20,295
Impairment of exploration and evaluation expenditure	-	(9,908)
Total exploration and evaluation expenditure	830,283	808,746
Total expenditure incurred and carried forward in respect of specific projects -		
Montelle Project	19,734	19,222
Venus Project	770,926	750,929
Yellow Cone Project	39,623	38,595
Total exploration and evaluation expenditure	830,283	808,746

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristics of many mineral claims. The Company has investigated title to all of its exploration and evaluation assets and, to the best of its knowledge, title to all of its interests are in good standing. The exploration and evaluation assets in which the Company has committed to earn an interest are located in the United States.

The terms and commitments of the Company with respect to its exploration and evaluation assets are subject to change if and when the Company and its partners mutually agree to new terms and conditions.

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4. EXPLORATION AND EVALUATION ASSETS (cont'd)

As at March 31, 2022, the Company has reclamation deposits totaling \$6,288 (December 31, 2021 - \$6,288) held with the Bureau of Land Management (“BLM”) related to potential environmental remediation work on certain mineral interests.

As at March 31, 2022, the Company estimates its reclamation obligation at \$6,288 (December 31, 2021 - \$6,288).

During the period ended March 31, 2022, the estimated reclamation costs was reduced by \$nil (December 31, 2021 - \$36,078).

Venus, Nevada, USA

In 2007, claims were staked and registered in the name of an Officer of the Company.

Yellow Cone, Nevada, USA

In 2012, claims were staked and registered in the name of Altan Rio (US) Inc. These claims are 100% owned by the Company.

Montelle, Nevada, USA

In 2007, claims were staked and registered in the name of Altan Rio (US) Inc. These claims are 100% owned by the Company.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable are amounts owing to non-related parties. There were no specific terms of interest or repayment on these amounts and they are non-interest bearing and unsecured.

6. RELATED PARTY TRANSACTIONS

The Group entered into the following transactions with related parties:

- a) Paid accounting and administration services of \$2,213 (2021 - \$8,836) to a company controlled by the CFO of the Company. At March 31, 2022, the amount payable to the company controlled by the CFO of the Company was \$14,992 (December 31, 2021 - \$158,733).
- b) Paid or accrued consulting fees of \$nil (2021 - \$25,591) to a company controlled by CEO of the Company. At March 31, 2022, an amount of \$nil (December 31, 2021 - \$nil) was owing to a company controlled by CEO of the Company.
- c) As at March 31, 2022, an amount of \$19,000 (December 31, 2021 - \$19,000) was owing to Evan Jones, director and former CEO of the Company.
- d) As at March 31, 2022 an amount of \$28,791 (December 31, 2021 - \$19,987) was owing to a company controlled by Brian Cole, director of the Company.

These transactions were incurred in the normal course of operations. The payables are non-interest bearing and due on demand.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company’s Board of Directors and corporate officers. The remuneration of directors and other members of key management personnel during the periods ended March 31, 2022 and 2021 are as follows:

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(Expressed in US Dollars)

(Unaudited)

6. RELATED PARTY TRANSACTIONS (cont'd)

	2022	2021
Management and consulting fees	\$ 10,260	\$ nil
	\$ 10,260	\$ nil

7. EQUITY**Authorized share capital**

The Company is authorized to issue an unlimited number of common and preferred voting shares without nominal or par value.

Issued share capital

On December 24, 2021, the Group completed a non-brokered private placement of 47,125,947 units at a price of C\$0.01 per unit for gross proceeds of \$369,301 (C\$471,259). Each unit consists of one common share of the Group. The Group paid \$20,764 (C\$28,275) as finder's fees.

On November 27, 2020, the Company completed a non-brokered private placement of 22,500,000 units at a price of C\$0.015 per unit for gross proceeds of \$260,346 (C\$337,500). Each unit consists of one common share of the Company and a share purchase warrant entitling the holder to acquire an additional common share at a price of C\$0.05 for a period of four years. The Company paid \$16,477 (C\$20,250) as finder's fees.

On March 15, 2022, the Company consolidated its issued and outstanding common shares at a ratio of ten (10) pre-Consolidation Shares to one (1) post-Consolidation Share.

	Number of shares	\$
Balance at December 31, 2020	92,164,943	6,326,726
Shares issued from private placement, net of share issue costs	47,125,947	348,537
Balance at December 31, 2021	139,290,890	6,675,263
Share Consolidation (1 for 10)	(125,361,801)	-
Balance at March 31, 2022	13,929,089	6,675,263

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7. EQUITY (cont'd)**Share purchase and agents' warrants**

On November 27, 2020, 22,500,000 shares purchase warrants valued at \$Nil were issued in connection with the private placement.

Warrants outstanding are as follows:

	Number of Warrants	Weighted Average Exercise Price
Outstanding warrants, December 31, 2020	70,045,087	C\$0.08
Expired	(16,919,074)	C\$0.10
Outstanding warrants, December 31, 2021	53,126,013	C\$0.08
Expired	(22,644,813)	C\$0.10
Consolidation (1 for 10)	(27,433,080)	-
Outstanding warrants, March 31, 2022	3,048,120	C\$0.60

Exercise Price	Outstanding Warrants March 31, 2022	Average Remaining Contractual Life (Years)	Expiry Date
C\$1.00	798,120	0.54	October 17, 2022
C\$0.50	2,250,000	2.66	November 27, 2024
	3,048,120	2.10	

Stock options

The Group has established a stock option plan (the "Plan") for directors, employees, and consultants of the Company. From time to time, shares may be reserved by the Board, in its discretion, for options under the Plan, provided that at the time of the grant, the total number of shares so reserved for issuance by the Board shall not exceed the greater of 10% of the issued and outstanding listed shares (on a non-diluted basis) as at the date of grant. Options are non-assignable and may be granted for a term not exceeding that permitted by the Exchange, currently ten years. All stock options issued are subject to vesting terms.

Options issued to officers and/or consultants might be subjected to a vest term depending on date of grant and nature of service. As at March 31, 2022 a total of 696,649 options were reserved under the option plan with 350,000 options outstanding.

	Number of Options	Weighted Average Exercise Price
Outstanding options, December 31, 2020	5,250,000	C\$0.10
Expired	(1,750,000)	C\$0.10
Outstanding options, December 31, 2021	3,500,000	C\$0.10
Consolidation (1 for 10)	(3,150,000)	-
Outstanding options, December 31, 2021 and March 31, 2022	350,000	C\$1.00

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7. EQUITY (cont'd)**Stock options (cont'd)**

Exercise Price	Outstanding Options March 31, 2022	Exercisable Options March 31, 2022	Average Remaining Contractual Life (Years)	Expiry Date
CS\$1.00	350,000	350,000	2.33	August 1, 2024

There were no options issued during the period ended March 31, 2022.

8. SEGMENT INFORMATION

The Group operates in one business segment, the exploration of exploration and evaluation assets. The Company's exploration activities are centralized whereby management of the Company is responsible for business results and the everyday decision-making. The Company's operations therefore are segmented on a geographic basis.

All of the Group's reclamation bond and exploration and evaluation assets are located in the United States as outlined in Note 4.

9. CAPITAL MANAGEMENT

The Group manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of exploration and evaluation assets. In the management of capital, the Company includes components of equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business. The properties in which the Company currently has an interest are in the exploration stage; as such the Company is dependent on external financing to fund activities. In order to carry out any future exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company will continue to assess new properties and seek to acquire an interest in additional properties if it feels there is sufficient geologic or economic potential and if it has adequate financial resources to do so. The Company is not subject to any externally imposed capital requirements.

There were no changes to the Company's capital management approach during the period ended March 31, 2022.

10. FINANCIAL INSTRUMENTS

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit Risk

Credit risk is the risk of loss associated with a counterparty's inability to fulfil its payment obligations. The Company's cash is held at a large Australian financial institution and its reclamation bonds are held at the BLM. The Company has no investment in asset backed commercial paper. The Company's receivables consist of sales tax receivable due from the Government of Canada and due from related parties. The Company believes it has no significant credit risk.

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10. FINANCIAL INSTRUMENTS (cont'd)

Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at March 31, 2022, the Company had a cash balance of \$61,983 (December 31, 2021 - \$74,312) to settle current liabilities of \$459,960 (December 31, 2021 - \$442,497). As disclosed in Note 1, the Company will need to raise additional funds to meet its obligations as they become due. The Company is exposed to liquidity risk.

Market Risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates and commodity and equity prices and foreign currency fluctuations.

a) Interest Rate Risk

The Company has cash balances. The Company's current policy is to invest excess cash in investment-grade short-term deposit certificates issued by its banking institutions. The Company periodically monitors the investments it makes and is satisfied with the credit ratings of its banks.

b) Foreign Currency Risk

The Company is exposed to foreign currency risk on fluctuations related to cash, receivables, due to/from related parties, accounts payable and accrued liabilities and advances payable that are denominated in Canadian dollars. The Company does not believe it is exposed to significant foreign currency risk.

c) Price Risk

The Company is exposed to price risk with respect to commodity and equity prices. Equity price risk is defined as the potential adverse impact on the Company's earnings due to movements in individual equity prices or general movements in the level of the stock market. Commodity price risk is defined as the potential adverse impact on earnings and economic value due to commodity price movements and volatilities. The Company closely monitors commodity prices of gold and copper, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the Company.

Sensitivity Analysis

The Company operates in the United States and is exposed to risk from changes in the Canadian dollar. A simultaneous 10% fluctuation in the Canadian dollar and Australian dollar against the US dollar would affect accumulated other comprehensive income (loss) for the year by approximately \$18,582 (December 31, 2021 - \$22,197).

11. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

As at March 31, 2022, the Company had \$17,808 (2021 - \$17,808) in exploration and evaluation costs in accounts payable.