



ROCKCLIFF METALS CORPORATION

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

THREE AND NINE MONTHS ENDED

DECEMBER 31, 2022

(EXPRESSED IN CANADIAN DOLLARS)

(UNAUDITED)

Notice To Reader

The accompanying unaudited consolidated interim financial statements of Rockcliff Metals Corporation (the "Company") have been prepared by and are the responsibility of management. The unaudited consolidated interim financial statements have not been reviewed by the Company's auditors.

Rockcliff Metals Corporation

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars)

(Unaudited)

	As at December 31, 2022	As at March 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents (note 4)	\$ 1,323,054	\$ 1,059,771
Prepaid expenses and deposits	94,680	42,425
Amounts receivable and advances (note 5)	353,026	310,880
Total current assets	1,770,760	1,413,076
Long-term assets		
Equipment (note 6)	37,274	43,475
Total assets	\$ 1,808,034	\$ 1,456,551
LIABILITIES AND EQUITY		
Current liabilities		
Amounts payable and other liabilities (notes 7 and 12)	\$ 174,687	\$ 306,756
Total current liabilities	174,687	306,756
Long-term liabilities		
CEBA government loan (note 14)	40,000	40,000
Total liabilities	\$ 214,687	\$ 346,756
Equity		
Share capital (note 8)	62,217,359	61,275,709
Reserve (notes 10 and 11)	1,772,153	1,094,379
Deficit	(62,396,165)	(61,260,293)
Total equity	1,593,347	1,109,795
Total liabilities and equity	\$ 1,808,034	\$ 1,456,551

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these statements.

Nature of operations and going concern (note 1)
Commitments and contingencies (notes 3 and 14)

Rockcliff Metals Corporation

Condensed Interim Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income
(Expressed in Canadian dollars)
(Unaudited)

	Three months ended December 31,		Nine months ended December 31,	
	2022	2021	2022	2021
Operating expenses				
Exploration and property acquisition costs (note 3)	\$ 171,387	\$ 1,638,985	\$ 505,744	\$ 2,581,861
Salaries, directors and benefits (note 12)	71,835	189,836	234,108	788,874
Legal and professional (note 12)	34,774	79,530	97,816	165,309
Investor relations	12,531	18,024	73,659	131,862
General and administrative	81,754	64,221	185,769	192,994
Technical studies	-	106,337	-	355,633
Share-based payments (notes 11 and 12)	5,403	16,039	16,150	65,201
Depreciation (note 6)	1,962	2,409	6,201	7,613
Loss before the following items	(379,646)	(2,115,381)	(1,119,447)	(4,289,347)
Interest income	17	5,065	668	19,656
Foreign exchange gain (loss)	6,643	233	2,981	(187)
Amortization of flow-through premium (note 14)	-	468,334	-	881,162
Gain on sale of equipment	-	-	-	16,269
Other expenses, net (note 13)	-	-	(25,523)	-
Gain on sale of mineral exploration property (note 3)	-	-	-	2,844,030
Option payments related to the Bucko mill lease payment (note 14)	-	-	-	(240,000)
Net loss and comprehensive loss for the period	\$ (372,986)	\$ (1,641,749)	\$ (1,141,321)	\$ (768,417)
Basic and diluted net loss per share (note 9)	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding - basic and diluted	345,270,802	307,893,687	332,619,837	307,781,861

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these statements.

Rockcliff Metals Corporation
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)
(Unaudited)

	Nine months ended	
	December 31,	
	2022	2021
Operating activities		
Net loss for the period	\$ (1,141,321)	\$ (768,417)
Adjustments for:		
Gain on sale of mineral exploration property (note 3)	-	(2,844,030)
Depreciation and amortization	6,201	7,613
Share-based payments	16,150	65,201
Amortization of flow-through premium	-	(881,162)
Gain on sale of equipment	-	(16,269)
Non-cash working capital items:		
Amounts receivable and advances	310,354	(109,149)
Prepaid expenses and deposits	(52,255)	(5,444)
Amounts payable and other liabilities	(140,819)	(167,044)
Net cash used in operating activities	(1,001,690)	(4,718,701)
Investing activities		
Proceeds from sale of equipment	-	16,269
Proceeds from sale of mineral exploration property (note 3)	-	2,844,030
Net cash provided by investing activities	-	2,860,299
Financing activities		
Proceeds from private placement	1,300,000	935,540
Share issue costs	(35,027)	(62,128)
Net cash provided by financing activities	1,264,973	873,412
Net change in cash and cash equivalents	263,283	(984,990)
Cash and cash equivalents, beginning of period	1,059,771	4,529,363
Cash and cash equivalents, end of period (note 4)	\$ 1,323,054	\$ 3,544,373
Supplemental information:		
Suscription receivable	\$ 352,500	\$ -
Share issue costs payable	\$ (8,750)	\$ -

The accompanying notes to the unaudited consolidated interim financial statements are an integral part of these statements.

Rockcliff Metals Corporation

Condensed Interim Consolidated Statements of Changes in Equity

For the nine months ended December 31, 2022 and 2021

(Expressed in Canadian dollars)

(Unaudited)

	Share capital (#)	Shares capital	Contributed surplus	Warrants	Deficit	Total
Balance, April 1, 2021	307,619,187	\$ 60,721,755	\$ 790,427	\$ 36,792	\$(58,253,618)	\$ 3,295,356
Share Issued in private placement	15,592,332	658,021	-	277,519	-	935,540
Share issue costs	(106,815)	-	-	44,687	-	(62,128)
Expiry/forefeit of options	-	-	(80,602)	-	80,602	-
Share-based payments	-	-	65,201	-	-	65,201
Net loss for the period	-	-	-	-	(768,417)	(768,417)
Balance, December 31, 2021	323,104,704	\$ 61,379,776	\$ 775,026	\$ 358,998	\$(58,941,433)	\$ 3,465,552
	Share capital (#)	Shares capital	Contributed surplus	Warrants	Deficit	Total
Balance, April 1, 2022	323,486,019	\$ 61,275,709	\$ 774,921	\$ 319,458	\$(61,260,293)	\$ 1,109,795
Shares Issued in private placement	66,100,000	1,005,600	-	646,900	-	1,652,500
Share issue costs	-	(63,950)	-	20,173	-	(43,777)
Expiry of options	-	-	(5,449)	-	5,449	-
Share-based payments	-	-	16,150	-	-	16,150
Net loss for the period	-	-	-	-	(1,141,321)	(1,141,321)
Balance, December 31, 2022	389,586,019	\$ 62,217,359	\$ 785,622	\$ 986,531	\$(62,396,165)	\$ 1,593,347

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

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

1. Nature of operations and going concern

Rockcliff Metals Corporation (the "Company" or "Rockcliff") is engaged in the acquisition and exploration of mineral properties in Manitoba, Canada. The head office of the Company is located at 82 Richmond Street East, Toronto, ON M5C 1P1. The Company is presently conducting exploration and advancing various technical and economic studies with an intent to advance projects towards a development decision.

As at December 31, 2022, the Company had not determined the existence of economically recoverable reserves. The Company's exploration property interests may be subject to increases in taxes and royalties, renegotiation of contracts, changes in environmental designations, currency exchange fluctuations and restrictions, and political uncertainty.

These unaudited consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assume that the Company will continue in operation 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 business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that current exploration programs will result in profitable mining operations. The Company's continued existence is dependent upon the preservation of its interest in the underlying properties, the discovery of economically recoverable reserves, the achievement of profitable operations, and or the ability of the Company to raise alternative financing, if necessary, or alternatively upon the Company's ability to dispose of its interests on an advantageous basis. Changes in future conditions could require material write downs of the carrying values.

Although the Company has taken steps to verify title to the properties on which it is conducting exploration and in which it has an interest, in accordance with industry standards for the current stage of operations of such properties, these procedures do not guarantee the Company's title. Property title may be subject to government licensing requirements or regulations, social licensing requirements, unregistered prior agreements, unregistered claims, aboriginal claims, and non-compliance with regulatory and environmental requirements.

COVID-19

The outbreak of the novel strain of coronavirus, specifically identified as "COVID-19", has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. Global equity markets have experienced significant volatility and weakness. Governments and central banks have reacted with significant monetary and fiscal interventions designed to stabilize economic conditions.

The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of the Company and its operating subsidiary in future periods. The Company is closely monitoring the business environment as a result to ensure minimal distribution to business operations.

Going Concern

The Company is an exploration company which has not yet achieved production, has recurring losses and an accumulated deficit of \$62.4 million as at December 31, 2022. The Company's ability to continue as a going concern is dependent upon its ability to raise additional financing to be able to further explore its mineral properties, retain mining rights and to meet ongoing requirements for general operations. Even if the Company has been successful in the past in doing so, there can be no assurance that additional debt or equity financings will be available to meet these requirements or available on terms acceptable to the Company. These matters represent a material uncertainty that casts significant doubt about the Company's ability to continue as a going concern.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

2. Significant accounting policies

(a) *Statement of compliance*

The Board of Directors approved the consolidated financial statements on February 28, 2023.

The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These unaudited condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all of the information required for full annual financial statements required by IFRS as issued by IASB.

The policies applied in these unaudited condensed interim consolidated financial statements are based on IFRSs issued and outstanding as of February 28, 2023, the date the Board of Directors approved the statements. The same accounting policies and methods of computation are followed in these unaudited condensed interim consolidated financial statements as compared with the most recent audited consolidated financial statements as at and for the year ended March 31, 2022, except as noted below. Any subsequent changes to IFRS that are given effect in the Company's annual consolidated financial statements for the year ending March 31, 2023 could result in restatement of these unaudited condensed interim consolidated financial statements.

(b) *Basis of presentation*

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis other than cash equivalents which are measured at fair value. In addition, these unaudited condensed consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information.

(c) *New standards adopted*

IAS 16 – Property, Plant and Equipment ("IAS 16") was amended. The amendments introduce new guidance, such that the proceeds from selling items before the related property, plant and equipment is available for its intended use can no longer be deducted from the cost. Instead, such proceeds are to be recognized in profit or loss, together with the costs of producing those items. The amendments are effective for annual periods beginning on or after January 1, 2022.

IAS 37 – Provisions, Contingent Liabilities, and Contingent Assets ("IAS 37") was amended. The amendments clarify when assessing if a contract is onerous, the cost of fulfilling the contract includes all costs that relate directly to the contract – i.e. a full-cost approach. Such costs include both the incremental costs of the contract (i.e. – costs a company would avoid if it did not have the contract) and an allocation of other direct costs incurred on activities required to fulfill the contract – e.g. contract management and supervision, or depreciation of equipment used in fulfilling the contract. The amendments are effective for annual periods beginning on or after January 1, 2022.

(d) *New standards not yet adopted*

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after April 1, 2022. Many are not applicable or do not have a significant impact to the Company and have been excluded. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28") were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

2. Significant accounting policies (continued)

(d) *New standards not yet adopted (continued)*

IAS 1 – Presentation of Financial Statements (“IAS 1”) was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company’s right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company’s own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. The amendments are effective for annual periods beginning on or after January 1, 2023.

There are no other standards/amendments or interpretations that are expected to have a significant effect on the consolidated financial statements of the Company.

(e) *Basis of consolidation*

The consolidated financial statements incorporate financial statements of Rockcliff Metals Corporation and its wholly owned subsidiary until the date of its disposition in July 2021. All intercompany transactions, balances, income and expenses are eliminated upon consolidation.

Subsidiaries consist of entities over which the Company is exposed to, or has rights to, variable returns as well as the ability to affect those returns through the power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date control is transferred to the Company and are deconsolidated from the date control ceases. The consolidated financial statements include all the assets, liabilities, revenues, expenses and cash flows of the Company and its subsidiary after eliminating inter-entity balances and transactions.

3. Exploration and evaluation properties

Tower Property

The Company holds a 100% interest in the Tower property, subject to an existing 2% net smelter return royalty in favour of a previous owner. The property is located in the Thompson Nickel Belt District in Manitoba.

Talbot Property

On November 12, 2019, the Company earned a 51% interest in the Talbot Property, from Hudson Bay Exploration and Development Company Limited (“HBED”), a wholly owned subsidiary of Hudbay Minerals Inc. (“Hudbay”).

On August 18, 2020, Rockcliff was notified of Hudbay’s intention to exercise its Buy-Back Right to acquire an additional 2% ownership interest in the Project by making a one-time cash payment of \$725,892 to Rockcliff. If Hudbay takes the Project into production, Rockcliff will retain a 35% carried interest in the Project through life-of-mine, provided that Rockcliff contributes its pro-rata share of pre-construction capital.

As of December 31, 2022, the Company has a 49% interest in the Talbot Property.

Rail Property

The Company holds a 100% interest in the Rail property, subject to a 2% net smelter returns royalty in favour of the former owner, Hudbay. The property located in the Snow Lake District in Manitoba.

Bur Property

The Company holds a 100% interest in the Bur property, subject to a 2% of net smelter return royalty from the date of the commencement of commercial productions, payable to Hudbay.

Freebeth Property

The Company holds a 100% interest in the Freebeth Property, subject to a 2% net smelter return royalty in favour of the former owner, Hudbay. The property is located in the Snow Lake District in Manitoba.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

3. Exploration and evaluation properties (continued)

Copperman Property

The Company holds a 100% interest in the Copperman Property, located in the Snow Lake District in Manitoba.

Morgan Property

The Company holds a 100% interest in the Morgan Property, subject to a 2% net smelter return royalty. The property is located in the Snow Lake District in Manitoba.

Pennex Property

The Company holds a 100% in the Pennex Property, located in the Snow Lake District in Manitoba.

Lon Property

The Company holds a 100% interest in the Lon Property located in the Snow Lake District in Manitoba. The Company also acquired certain mining rights and mining data in respect of the Lon Deposit subject to a ½% net smelter return royalty in two of the claims acquired. The Company may purchase this net smelter return royalty for \$250,000.

Snow Lake South (SLS) and Danlee Properties

The Company holds a 100% interest in the SLS properties (SLS #1-5), which surround the Danlee Property, which it subjected to 2% NSR. The properties are located in the Snow Lake District in Manitoba.

Snow Lake Gold Property, Laguna and Lucky Jack Property

The Company held the Snow Lake Gold, Laguna and Lucky Jack properties through its 100% owned subsidiary Goldpath Resources Corporation ("Goldpath").

On July 6, 2021, the Company closed the Share Purchase Agreement ("SPA") and sold to KG Exploration (Canada) Inc. ("Purchaser") all issued and outstanding common shares in the capital of Goldpath Resources Corp. for a total consideration of \$3,000,000 and the following royalties in favour to the Company.

- a 2% net smelter returns royalty ("NSR") in respect of mineral extracted from the BER Property (included in the Snow Lake Gold Property and Laguna Property), under the terms and conditions set forth in the BER Royalty Agreement ("BER Royalty") and including: i) a right in favour of the purchaser to purchase from the Company up to a 1% BER Royalty in 0.5% increments for \$500,000 per increment for an aggregate cost of \$1,000,000, and ii) a right of first refusal in favour of the purchaser to purchase the BER Royalty on the same terms as the Company is prepared to sell the BER Royalty;
- a 2% NSR in respect of mineral extracted from the DSN Property (included in the Snow Lake Gold Property and Laguna Property) on the terms and conditions set forth in the DSN Royalty Agreement ("DSN Royalty") and including: i) a right in favour of the purchaser to purchase from the Company up to a 1% DSN Royalty in 0.5% increments for \$500,000 per increment for an aggregate cost of \$1,000,000, and ii) a right of first refusal in favour of the purchaser to purchase the DSN Royalty on the same terms as the Company is prepared to sell the DSN Royalty;
- if applicable, promptly following the exercise of the option in the SLG Agreement: a 0.5% net smelter returns royalty in respect of mineral extracted from the SLG Property (included in the Snow Lake Gold Property and Laguna Property) on the terms and conditions set forth in SLG Royalty Agreement ("SLG Royalty") and including a right of first refusal in favour of the Purchaser to purchase the SLG Royalty on the same terms as the Company is prepared to sell the SLG Royalty; and
- Transaction fee payable to Red Cloud Securities Inc. at 4.8%; cash bonus of \$5,000 for each 1% NSR - 2% NSR for each of the BER and DSN properties and 0.5% for SLG.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

3. Exploration and evaluation properties (continued)

Snow Lake Gold Property, Laguna and Lucky Jack Property (continued)

Net proceeds received

Cash	\$	3,000,000
2% net smelter return royalty ⁽¹⁾		-
Transaction costs		(155,970)
Total	\$	2,844,030

(1) Due to the uncertainty surrounding whether the properties will be put into production and the timing and the quantity of any such production, the value has been considered to be \$nil.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

3. Exploration and evaluation properties (continued)

The following is a breakdown by property of exploration costs:

Three months ended December 31, 2022

	Tower	Rail	Bur	Freebeth	SLS	Golldpath	Copperman	Other	Total
Exploration expenditures	\$ 2,400	\$ 2,350	\$ 8,824	\$ 458	\$ 140,585	\$ -	\$ 6,066	\$ 10,704	\$ 171,387
Total, December 31, 2022	\$ 2,400	\$ 2,350	\$ 8,824	\$ 458	\$ 140,585	\$ -	\$ 6,066	\$ 10,704	\$ 171,387

Three months ended December 31, 2021

	Tower	Rail	Bur	Freebeth	SLS	Golldpath	Copperman	Other	Total
Exploration expenditures	\$ 339,632	\$ 32,156	\$ 62,822	\$ 29,367	\$ 179,135	\$ -	\$ 940,782	\$ 155,091	\$ 1,738,985
Government grants received	-	-	-	-	-	-	(100,000)	-	(100,000)
Total, December 31, 2021	\$ 339,632	\$ 32,156	\$ 62,822	\$ 29,367	\$ 179,135	\$ -	\$ 840,782	\$ 155,091	\$ 1,638,985

Nine months ended December 31, 2022

	Tower	Rail	Bur	Freebeth	SLS	Golldpath	Copperman	Other	Total
Exploration expenditures	\$ 14,868	\$ 6,339	\$ 18,984	\$ 80,430	\$ 254,761	\$ -	\$ 106,532	\$ 123,830	\$ 605,744
Government grants received	-	-	-	-	-	-	(100,000)	-	(100,000)
Total, December 31, 2022	\$ 14,868	\$ 6,339	\$ 18,984	\$ 80,430	\$ 254,761	\$ -	\$ 6,532	\$ 123,830	\$ 505,744

Nine months ended December 31, 2021

	Tower	Rail	Bur	Freebeth	SLS	Golldpath	Copperman	Other	Total
Exploration expenditures	\$ 394,044	\$ 219,412	\$ 126,568	\$ 54,412	\$ 615,327	\$ 427	\$ 1,115,414	\$ 256,257	\$ 2,781,861
Government grants received	(50,000)	(50,000)	-	-	-	-	(100,000)	-	(200,000)
Total, December 31, 2021	\$ 344,044	\$ 169,412	\$ 126,568	\$ 54,412	\$ 615,327	\$ 427	\$ 1,015,414	\$ 256,257	\$ 2,581,861

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

4. Cash and cash equivalents

	As at December 31, 2022	As at March 31, 2022
Cash	\$ 1,298,054	\$ 1,034,771
Cash equivalents	25,000	25,000
Total	\$ 1,323,054	\$ 1,059,771

5. Amounts receivable and advances

	As at December 31, 2022	As at March 31, 2022
Harmonized sales tax recoverable - (Canada)	\$ 526	\$ 310,880
Suscription receivable (a)	352,500	-
Total	\$ 353,026	\$ 310,880

(a) In January 2023, the Company collected the suscription receivable balance of \$352,500, net of the share issue costs payable of \$8,750.

6. Equipment

Equipment is represented by the following:

Cost	Equipment	
Balance, March 31, 2021	\$	109,029
Balance, March 31, 2022		109,029
Balance, December 31, 2022	\$	109,029
Depreciation	Equipment	
Balance, March 31, 2021	\$	55,653
Depreciation		9,901
Balance, March 31, 2022		65,554
Depreciation		6,201
Balance, December 31, 2022	\$	71,755
Net book value	Equipment	
Balance, March 31, 2022	\$	43,475
Balance, December 31, 2022	\$	37,274

7. Amounts payable and other liabilities

	As at December 31, 2022	As at March 31, 2022
Trade payables	\$ 171,801	\$ 159,283
Accrued liabilities	2,886	147,473
Total	\$ 174,687	\$ 306,756

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

8. Share capital

a) Authorized share capital

The authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

	Number of common shares	Amount
Balance, March 31, 2021	307,893,687	\$ 60,721,755
Shares issued in private placement - flow-through (i)	15,592,332	658,021
Share issue costs (i)	-	(106,815)
Balance, December 31, 2021	323,486,019	\$ 61,272,961
Balance, March 31, 2022	323,486,019	\$ 61,275,709
Units issued in private placement - flow-through (ii and iii)	66,100,000	1,005,600
Share issue costs (ii and iii)	-	(63,950)
Balance, December 31, 2022	389,586,019	\$ 62,217,359

(i) On December 31, 2021, the Company closed a flow-through equity financing of \$935,540 consisting of 15,592,332 Flow Through Units ("FTU") at a price of \$0.06 per FTU.

Each FTU consisted of one common share and one-half of a common share purchase warrant. Each full warrant entitles the holder to purchase one common share at a price of \$0.10 for two years from closing.

The grant date fair value of \$277,519 was assigned to the 7,796,166 warrants issued as estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 0.95%; share price of \$0.07; an expected volatility factor of 113.2%; an expected dividend yield of 0%; and an expected life of 2 years.

Eligible finders were paid cash fees of \$62,128 and issued 1,035,463 FT Broker Warrants. Each FT Broker Warrant entitles the holder to acquire one broker unit at a price of \$0.06, with each broker unit consisting of one common share and one-half of a warrant, for a period of two years from closing.

The grant date fair value of \$44,687 was assigned to the FT Broker Warrants issued, as estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 0.95%; share price of \$0.07; an expected volatility factor of 113.2%; an expected dividend yield of 0%; and an expected life of 2 years.

(ii) On November 23, 2022, the Company closed a non-brokered private placement for total gross proceeds of \$1,300,000. The Company placed 12,000,000 Flow Through Units ("FTU") at a price of \$0.025 per FTU for gross proceeds of \$300,000 and 40,000,000 Working Capital Units ("WCU") at a price of \$0.025 per WCU for gross proceeds of \$1,000,000. Red Cloud Securities Inc. acted as a finder in connection with the financing.

Each FTU and WCU consisted of one common share and one common share purchase warrant. Each full warrant entitles the holder to purchase one common share at a price of \$0.05 for three years from closing.

The grant date fair value of \$520,000 was assigned to the 52,000,000 warrants issued as estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 3.70%; an expected volatility factor of 122.47%; an expected dividend yield of 0%; and an expected life of three years.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

8. Share capital (continued)

Eligible finders were paid cash fees of \$28,613, which include legal fees, and issued 840,000 Broker Warrants. Each Broker Warrant entitles the holder to acquire one common share at a price of \$0.05, for a period of three years from closing.

The grant date fair value of \$13,072 was assigned to the Broker Warrants issued, as estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 3.70%; an expected volatility factor of 122.47%; an expected dividend yield of 0%; and an expected life of three years.

An insider of the Company subscribed for 40,000,000 WCUs.

(iii) On December 29, 2022, the Company closed a non-brokered private placement for total gross proceeds of \$352,500. The Company placed 11,000,000 Flow Through Units ("FTU") at a price of \$0.025 per FTU for gross proceeds of \$275,000 and 3,100,000 Working Capital Units ("WCU") at a price of \$0.025 per WCU for gross proceeds of \$77,500. Red Cloud Klondike Securities Inc. and Sherbrooke Street Capital SSC Inc. acted as finders in connection with the financing.

Each FTU and WCU consisted of one common share and one common share purchase warrant. Each full warrant entitles the holder to purchase one common share at a price of \$0.05 for three years from closing.

The grant date fair value of \$126,900 was assigned to the 14,100,000 warrants issued as estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 3.77%; an expected volatility factor of 124.44%; an expected dividend yield of 0%; and an expected life of three years.

Eligible finders were paid cash or accrued fees of \$15,164, which include legal fees, and issued 595,000 Broker Warrants. Each Broker Warrant entitles the holder to acquire one common share, at a price of \$0.05 for a period of three years from closing.

The grant date fair value of \$7,101 was assigned to the Broker Warrants issued, as estimated by using a fair value market technique incorporating the Black-Scholes option pricing model, using the following assumptions: a risk-free interest rate of 3.77%; an expected volatility factor of 124.44%; an expected dividend yield of 0%; and an expected life of three years.

9. Net loss per common share

The calculation of basic and diluted loss per share from operations for the three and nine months ended December 31, 2022, was based on the net loss attributable to common shareholders of \$372,986 and \$1,141,321 (three and nine months ended December 31, 2021 - net loss attributable to common shareholders of \$1,641,749 and \$768,417) and the weighted average number of common shares outstanding of 345,270,802 and 332,619,837 (three and nine months ended December 31, 2021 - 307,893,687 and 307,781,861).

Diluted loss per share for the three and nine months ended December 31, 2022 did not include the effect of 76,366,629 warrants (December 31, 2021 - 8,831,629) and 8,404,964 stock options (December 31, 2021 - 8,604,964) as they are anti-dilutive.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

December 31, 2022

(Expressed in Canadian dollars)

10. Warrants

The following table reflects the continuity of warrants for the nine months ended December 31, 2022 and 2021:

	Number of warrants	Grant date Fair value (\$)	Weighted average exercise price (\$)
Balance, March 31, 2021	428,633	36,792	0.19
Granted (note 8(b) (i))	8,831,629	319,458	0.10
Expired	(428,633)	(36,792)	0.19
Balance, December 31, 2021	8,831,629	319,458	0.10
Balance, March 31, 2022	8,831,629	319,458	0.10
Granted (note 8(b) (ii and iii))	67,535,000	667,073	0.05
Balance, December 31, 2022	76,366,629	986,531	0.06

The following table reflects the warrants issued and outstanding as of December 31, 2022:

Number of warrants outstanding	Grant date fair value (\$)	Exercise price (\$)	Expiry date
7,796,166	275,033	0.10	December 31, 2023
1,035,463	44,425	0.06	December 31, 2023
52,000,000	520,000	0.05	November 23, 2025
840,000	13,072	0.05	November 23, 2025
14,100,000	126,900	0.05	December 29, 2025
595,000	7,101	0.05	December 29, 2025
76,366,629	986,531	0.06	

11. Stock options

The following table reflects the continuity of stock options for the nine months ended December 31, 2022 and 2021:

	Number of stock options	Weighted average exercise price (\$)
Balance, March 31, 2021	11,464,183	0.15
Expired/forefeited	(2,859,219)	0.15
Balance, December 31, 2021	8,604,964	0.15
Balance, March 31, 2022	8,604,964	0.15
Expired	(200,000)	0.15
Balance, December 31, 2022	8,404,964	0.15

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11. Stock options (continued)

Details of the stock options outstanding at December 31, 2022 are as follows:

Grant date fair value(\$)	Contractual life (years)	Number of options	Exercisable options	Exercise price (\$)	Expiry date
270,745	0.77	1,850,000	1,850,000	0.15	October 9, 2023
338,534	1.48	4,000,000	4,000,000	0.15	June 10, 2024
75,180	1.96	1,250,000	1,250,000	0.15	December 16, 2024
134,335	4.01	680,851	-	0.15	January 1, 2027 (*)
10,635	4.01	624,113	-	0.15	January 1, 2027 (*)
829,429	1.79	8,404,964	7,100,000	0.15	

* The options vest on January 1, 2023 subject to performance vesting conditions where if the total shareholder return compared to a peer group is:

- in the 75th percentile of the performance condition, 100% of the stock options vest.
- between 40-74 percentile of the performance condition, proportionate vesting of the stock options occur.
- lower than the 40th percentile of the performance condition, no options will vest.

Management estimated the probability for the Company to be in the 75th percentile to be 25%, between 40-74 percentile to be 50% and lower than the 40th percentile to be 25%.

12. Major shareholders and related party transactions

Major shareholders

As of December 31, 2022, Greenstone Resources II LLP holds a total of 172,580,000 common shares of the Company, representing approximately 44.3%. (March 31, 2022 - 40.9%)

As of December 31, 2022, Olive Resource Capital Inc. holds a total of 82,925,238 common shares of the Company, representing approximately 21.3%. (March 31, 2022 - 25.6%)

None of the Company's major shareholders have different voting rights than other holders of the Company's common shares.

Related parties include the Board of Directors and key management personnel and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

Related Party

Lapierre Exploration Services Inc.
Olive Resource Capital Inc.
Gold79 Mines Ltd.
Greenstone Resources II LLP

Nature of Relationship

Controlled by the interim President and CEO
Shareholder of the Company and common directors
Shareholder of the Company and common directors
Major shareholder of the Company and common directors

As at December 31, 2022 amounts payable and other liabilities included due to related parties of \$nil (March 31, 2022 - \$6,103). These amounts are unsecured, non-interest bearing and due on demand.

Rockcliff Metals Corporation

Notes to the unaudited Condensed Interim Consolidated Financial Statements

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(Expressed in Canadian dollars)

12. Major shareholders and related party transactions (continued)

Since May 2022, the Chief Financial Officer is a senior employee of Marrelli Support Services Inc. ("MSSI"), a firm providing accounting services. During the three and nine months ended December 31, 2022, the Company expensed in legal and professional \$4,500 and \$12,000 (three and nine months ended December 31, 2021 - \$nil and \$nil) paid to MSSI. As at December 31, 2022, amounts payable and other liabilities included \$nil (March 31, 2022 - \$nil).

In accordance with IAS 24, key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly, including any directors (executive and non-executive) of the Company. Remuneration of directors and key management personnel of the Company was as follows:

	Three months ended		Nine months ended	
	December 31,		December 31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Directors fees, management salaries and benefits	73,250	157,621	218,250	751,562
Share-based payments	5,403	36,813	16,150	65,201

13. Other expenses, net

During three and nine months ended December 31, 2022, the company accrued \$125,523 related to legal expenses for strategic transaction that the Company was pursued and has received cash payment for \$100,000 as part of this transaction, which has been recorded in other expenses, net in the condensed interim consolidated statements of loss and comprehensive loss.

14. Commitments and contingencies

As at December 31, 2022, pursuant to the issuance of 87,760,833 flow-through shares on May 7, 2019, and the issuance of 15,592,332 flow-through shares on December 31, 2021, the Company is required to incur qualifying expenditures of approximately \$20,862,600 by December 31, 2020 and \$935,540 by December 31, 2022. On July 10, 2020 and December 16, 2020, the Department of Finance proposed to extend the flow-through funds spend period, filing and payment, and the look-back rule by one year, including suspending the Part XII.6 tax for the same period. The Company is subject to Part XII.6 taxes on any unspent flow-through expenditures after February 1, 2021 for flow-through funds raised in 2019. Since the proposal by the Department of Finance received Royal assent on June 29, 2021, the dates to incur Part XII.6 taxes will be extended by one year, however, if the amounts are not expended by the end of 2021 for agreements entered in 2019 or by the end of 2022 for agreements entered into in 2020, the additional 10% tax under Part XII.6 will apply. The Company has indemnified the subscribers for any tax related amounts that become payable by the subscriber as a result of the Company not meeting its expenditure commitments. As of December 31, 2022, the Company has fulfilled the total commitment.

The Company's exploration and evaluation activities are subject to laws and regulations governing the protection of the environment. These laws and regulations are continually changing and generally becoming more restrictive. The Company believes its activities are materially in compliance with all applicable laws and regulations. The Company has made, and expects to make in the future, expenditures to comply with such laws and regulations.

In August 2020, the Company received a \$40,000 interest-free loan from the Emergency Business Account (CEBA) to support business by providing financing for their expenses and a loan forgiveness of 25% (up to \$10,000) if \$30,000 is repaid on or before December 31, 2022 with an extension on or before December 31, 2023.

The Company is party to certain management contracts. These contracts require payment of \$480,000 upon the occurrence of a change of the Company, as defined by each officers' respective consulting agreement. The Company is also committed to payments upon termination of approximately \$480,000 pursuant to the terms of these contracts. As a triggering event has not taken in place, these amounts have not been recorded in these consolidated financial statements.