

# **BELMONT RESOURCES INC.**



**Financial Statements**

**&**

**Management Discussion & Analysis  
for the 1<sup>st</sup> Quarter Ended – April 30, 2021**

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**BELMONT RESOURCES INC.**

**Condensed Interim Consolidated Financial Statements**

**Period ended April 30, 2021**

**(Unaudited - Expressed in Canadian Dollars)**

### **NOTICE TO READER**

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

The accompanying unaudited interim financial statements have been prepared by and are the responsibility of the management.

The Company's independent auditor has not performed a review of these financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed interim financial statements by an entity's auditor.

**BELMONT RESOURCES INC.**Condensed Interim Consolidated Statements of Financial Position  
(Unaudited - Expressed in Canadian dollars)

	Notes	April 30, 2021	January 31, 2020
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	\$	37,345	\$ 441,586
Marketable securities		8,537	3,985
Receivables		57,079	42,811
Prepaid expense		13,267	1,933
		116,228	490,315
<b>Non-current assets</b>			
Due from related party	8	114,155	114,155
Property and equipment	3	17,485	17,107
Exploration and evaluation assets	4	1,972,684	1,512,611
Reclamation bond	4	79,454	79,454
		2,183,778	1,723,327
<b>TOTAL ASSETS</b>		<b>\$ 2,300,006</b>	<b>\$ 2,213,642</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade payables and accrued liabilities	5 \$	89,017	\$ 87,613
Due to related parties	8	132,063	163,312
Flow-through share premium liability	6	5,885	91,013
		226,965	341,938
<b>TOTAL LIABILITIES</b>		<b>226,965</b>	<b>341,938</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	7	24,236,608	23,952,749
Reserves	7	1,569,613	1,620,616
Deficit		(23,733,180)	(23,701,661)
<b>TOTAL EQUITY</b>		<b>2,073,041</b>	<b>1,871,704</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>\$ 2,300,006</b>	<b>\$ 2,213,642</b>

Going concern (Note 1)  
Commitments (Note 4)  
Subsequent events (Note 14)

Approved on Behalf of the Board:

*"George Sookochoff"*

Director

*"Gary Musil"*

Director

See accompanying notes to the consolidated financial statements

**BELMONT RESOURCES INC.**Condensed Interim Consolidated Statements of Comprehensive Loss  
(Unaudited - Expressed in Canadian dollars)

	Notes	Three months ended	
		April 30, 2021	April 30, 2020
<b>Expenses</b>			
Amortization	3	\$ 764	\$ 752
Consulting fees		32,600	16,920
Legal and audit		10,300	4,000
Loan interest	10	-	4,969
Office and miscellaneous		3,325	2,870
Property costs		922	12
Regulatory fees		3,199	5,439
Rent	8	4,500	4,907
Salaries and administration services	8	49,960	34,047
Stock based payment	7, 8		
Directors		-	5,547
Consultants		-	1,350
Telephone and internet		570	1,112
Transfer agent fees		1,956	2,098
Travel and promotion		8,492	2,400
		(116,588)	(86,423)
<b>Other items</b>			
Loss on disposition of equipment		(284)	-
Bad debt recovered		-	3,077
Gain on sale of securities		225	-
Recovery of flow-through premium liability	6	85,128	-
		85,069	3,077
<b>Net loss for the year</b>		(31,519)	(83,346)
<b>Other comprehensive income</b>			
Unrealized gains (losses) on financial assets		4,729	140
<b>Total comprehensive loss for the year</b>		<b>\$ (26,790)</b>	<b>\$ (83,206)</b>
<b>Loss per share – basic and diluted</b>		<b>\$ (0.00)</b>	<b>\$ (0.00)</b>
<b>Weighted average number of shares</b>		<b>27,697,729</b>	<b>16,727,152</b>

See accompanying notes to the consolidated financial statements

**BELMONT RESOURCES INC.**Condensed Interim Statement of Changes in Shareholders' Equity (Deficiency)  
(Unaudited - Expressed in Canadian dollars)

	Share capital		Share subscription Advance	Reserves			Total
	Number of shares	Amount		Stock-based reserve	Revaluation of financial assets	Deficit	
<b>Balance at February 1, 2020</b>	<b>16,615,405</b>	<b>\$ 22,616,602</b>	<b>\$ -</b>	<b>\$ 1,417,612</b>	<b>\$ (11,686)</b>	<b>\$ (23,090,259)</b>	<b>\$ 932,269</b>
Loss for the period	-	-	-	-	-	(83,346)	(83,346)
Other comprehensive income	-	-	-	-	140	-	140
Total comprehensive loss for the year	-	-	-	-	140	(83,346)	(83,206)
Shares issued for cash							
- Private placement (units)	4,455,500	133,665	(82,875)	-	-	-	50,790
Share issue costs	-	(2,450)	-	2,450	-	-	-
Shares issued for promissory notes	60,000	2,100	-	-	-	-	2,100
Units issued to acquire exploration and evaluation asset	31,250	1,406	-	38	-	-	1,444
Stock based payment	-	-	-	6,897	-	-	6,897
	4,546,750	134,721	(82,875)	9,385	-	-	61,231
<b>Balance at April 30, 2020</b>	<b>21,162,155</b>	<b>\$ 22,751,323</b>	<b>\$ (82,875)</b>	<b>\$ 1,426,997</b>	<b>\$ (11,546)</b>	<b>\$ (23,173,605)</b>	<b>\$ 910,294</b>
<b>Balance at January 31, 2021</b>	<b>41,932,155</b>	<b>\$ 23,952,749</b>	<b>\$ -</b>	<b>\$ 1,630,480</b>	<b>\$ (9,864)</b>	<b>\$ (23,701,661)</b>	<b>\$ 1,871,704</b>
Loss for the period	-	-	-	-	-	(31,519)	(31,519)
Other comprehensive income	-	-	-	-	4,729	-	4,729
Total comprehensive loss for the year	-	-	-	-	4,729	(31,519)	(26,790)
Shares issued for cash							
- private placement (units)	1,672,000	117,040	-	-	-	-	117,040
- options	875,000	111,982	-	(55,732)	-	-	56,250
- w warrants	350,000	28,000	-	-	-	-	28,000
Share issue costs	-	(4,600)	-	-	-	-	(4,600)
Shares issued to acquire exploration and evaluation assets	419,167	31,437	-	-	-	-	31,437
	3,316,167	283,859	-	(55,732)	-	-	228,127
<b>Balance at April 30, 2021</b>	<b>45,248,322</b>	<b>\$ 24,236,608</b>	<b>\$ -</b>	<b>\$ 1,574,748</b>	<b>\$ (5,135)</b>	<b>\$ (23,733,180)</b>	<b>\$ 2,073,041</b>

See accompanying notes to the consolidated financial statements

**BELMONT RESOURCES INC.**Condensed Interim Consolidated Statements of Cash Flows  
(Unaudited - Expressed in Canadian dollars)

	Three months ended	
	April 30, 2021	April 30, 2020
<b>Operating activities:</b>		
Net loss for the period:	\$ (31,519)	\$ (83,346)
Adjustments for non-cash items:		
Amortization	764	752
Interest on promissory note	-	4,969
Recovery of flow-through share premium	(85,128)	-
Realized gain on sale of marketable securities	(225)	-
Loss on disposal of equipment	284	-
Share-based payments	-	6,897
Changes in non-cash items:		
Receivables	(14,268)	(724)
Prepaid expenses	(11,334)	(3,305)
Trade payables and accrued liabilities	(67,541)	(8,225)
Due from related parties	-	(8,398)
Net cash flows from (used in) operating activities	(208,967)	(91,380)
<b>Investing Activities</b>		
Expenditures on exploration and evaluation assets	(428,635)	(860)
Advances from (to) related parties	37,695	18,611
Net cash flows from (used in) investing activities	(390,940)	17,751
<b>Financing activities</b>		
Shares issued for cash	201,290	133,665
Share subscription	-	(82,875)
Share issuance costs - cash	(4,600)	-
Acquisition of equipment	(1,426)	-
Proceeds from sale of marketable securities	402	-
Promissory notes - repayment	-	(16,724)
Net cash flows from (used in) financing activities	195,666	34,066
<b>(Decrease) Increase in cash</b>	<b>(404,241)</b>	<b>(39,563)</b>
<b>Cash and equivalents, beginning</b>	<b>441,586</b>	<b>15,058</b>
<b>Cash and equivalents, ending (overdraft)</b>	<b>\$ 37,345</b>	<b>\$ (24,505)</b>

See accompanying notes to the consolidated financial statements

## **BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
For the period ended April 30, 2021

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### **1. Nature and continuance of operations**

Belmont Resources Inc. (the "Company") is incorporated under the laws of the Province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada and the USA. The Company's shares are traded on the TSX Venture Exchange ("TSX-V") under the symbol "BEA".

The corporate head office and principal place of business of the Company is 800 West Pender Street, Suite 615, Vancouver, British Columbia, Canada, V6C 2V6.

#### ***Going concern***

The consolidated financial statements have been prepared on a going concern basis of presentation, which assumes that the Company will continue operations for the foreseeable future and be able to realize the carrying value of its assets and discharge its liabilities and commitments in the normal course of business. To date, the Company has not earned significant revenue and has an accumulated deficit of \$23,733,180. The Company's ability to continue as a going concern is dependent upon its ability to obtain additional financing and or achieve profitable operations in the future.

These financial statements do not reflect adjustments that would be necessary if the going concern assumption was not appropriate. These adjustments could be material. The Company's financing efforts to date, while substantial, are not sufficient in and of themselves to enable the Company to fund all aspects of its operations. Management will pursue funding initiatives if, as and when required to meet the Company's requirements on an ongoing basis. Nevertheless, there is no assurance that these initiatives will be successful or sufficient.

There is no assurance that the Company will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company. These circumstances comprise a material uncertainty which may cast significant doubt as to the ability of the Company to meet its obligations as they fall due and, accordingly, the ultimate appropriateness of the use of accounting principles applicable to a going concern.

These financial statements do not reflect adjustments, which could be material, to the carrying value of assets and liabilities, which may be required should the Company be unable to continue as a going concern.

In March 2020 the World Health Organization declared the outbreak of COVID-19 a global pandemic. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and; specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company's operations

### **2. Significant accounting policies and basis of preparation**

These financial statements were authorized for issue on June 29, 2021 by the Board of Directors.

#### ***Basis of presentation and statement of compliance***

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Issues Committee ("IFRIC"). The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated. These financial statements comply with International Accounting Standard ("IAS") 34 "Interim Financial Reporting".



**BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
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**2. Significant accounting policies and basis of preparation (continued)**

These financial statements have been prepared on a historical cost basis, modified where applicable. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information. This interim financial report does not include all of the information required of a full annual financial report and is intended to provide users with an update in relation to events and transactions that are significant to an understanding of the changes in financial position and performance of the Company since the end of the last annual reporting period. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Company for the year ended 31 January 2021.

***Significant estimates and assumptions***

The preparation of these financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future. The Company's management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted for prospectively in the period in which the estimates are revised. Significant estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods include the recoverability of the carrying value of exploration and evaluation assets, the recoverability of amounts due from related parties, the recoverability and measurement of deferred tax assets, and the provisions for restoration and environmental obligations.

***Significant judgments***

The preparation of financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty; and
- the classification and allocation of exploration and evaluation expenditures.

***Exploration and evaluation assets***

Exploration and evaluation assets are composed of exploration and evaluation expenditures which include the costs of acquiring rights or licenses for exploration, costs associated with exploration and evaluation activities, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are expensed as incurred.

Government tax credits received are recorded as a reduction to the cumulative costs incurred on the related property.

Exploration and evaluation assets are tested for impairment if facts or circumstances indicate that impairment exists. Examples of such facts and circumstances are as follows:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the entity has decided to discontinue such activities in the specific area; and
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale.

## **BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
For the period ended April 30, 2021

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### **2. Significant accounting policies and basis of preparation (continued)**

Title to exploration and evaluation assets involves certain inherent risks due to the difficulties of determining the validity of certain mineral claims, as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral claims. The Company has investigated title to all of its mineral claims and, to the best of its knowledge, title to all of its claims are in good standing.

#### ***Stock based payments***

The Company grants stock options to purchase common shares of the Company to directors, officers, employees and consultants. An individual is classified as an employee when the individual is an employee for legal or tax purposes, or provides services similar to those performed by an employee.

The fair value of stock options is measured on the date of grant, using the Black-Scholes option pricing model and is recognized over the vesting period. Consideration paid for the shares on the exercise of stock options is credited to share capital. When the stock options are forfeited or expire, the amount previously recognized in the reserve is transferred to deficit.

In situations where stock options are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, they are measured at fair value of the share-based payments. Otherwise, they are measured at the fair value of goods or services received.

#### ***Financial instruments***

The Company's financial instruments are classified as follows:

Financial asset/liability	IFRS 9
Cash	Amortized cost
Reclamation bond	Amortized cost
Due from related parties	Amortized cost
Marketable securities	Fair value through other comprehensive income
Accounts payable	Amortized cost
Due to related parties	Amortized cost
Promissory notes	Amortized cost

#### ***Financial assets***

On initial recognition, financial assets are recognized at fair value and are subsequently classified and measured at: (i) amortized cost; (ii) fair value through other comprehensive income ("FVOCI"); or (iii) fair value through profit or loss ("FVTPL"). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics. A financial asset is measured at fair value net of transaction costs that are directly attributable to its acquisition except for financial assets at FVTPL where transaction costs are expensed. All financial assets not classified and measured at amortized cost or FVOCI are measured at FVTPL. On initial recognition of an equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income.

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.

#### ***Impairment of financial assets***

IFRS 9 uses the expected credit loss ("ECL") model. The credit loss model groups receivables based on similar credit risk characteristics and days past due in order to estimate bad debts. The ECL model applies to the Company's receivables.

## **BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
For the period ended April 30, 2021

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### **2. Significant accounting policies and basis of preparation (continued)**

An 'expected credit loss' impairment model applies which requires a loss allowance to be recognized based on expected credit losses. The estimated present value of future cash flows associated with the asset is determined and an impairment loss is recognized for the difference between this amount and the carrying amount as follows: the carrying amount of the asset is reduced to estimated present value of the future cash flows associated with the asset, discounted at the financial asset's original effective interest rate, either directly or through the use of an allowance account and the resulting loss is recognized in profit or loss for the year.

In a subsequent period, if the amount of the impairment loss related to financial assets measured at amortized cost decreases, the previously recognized impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized

#### Financial liabilities

Financial liabilities are designated as either: (i) fair value through profit or loss; or (ii) other financial liabilities. All financial liabilities are classified and subsequently measured at amortized cost except for financial liabilities at FVTPL. The classification determines the method by which the financial liabilities are carried on the statement of financial position subsequent to inception and how changes in value are recorded.

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when the terms of the liability are modified such that the terms and / or cash flows of the modified instrument are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

Gains and losses on derecognition are generally recognized in profit or loss.

#### Fair value

The Company provides disclosures that enable users to evaluate (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the date of the statement of financial position, and how the entity manages these risks. The Company provides information about its financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair value:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### **Income taxes**

##### Current income tax

Current income tax assets and liabilities for the current period 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, at the reporting date, in the countries where the Company operates and generates taxable income.

##### Deferred tax

Deferred tax is recognized on temporary differences at the reporting date arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

**BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
For the period ended April 30, 2021

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**2. Significant accounting policies and basis of preparation (continued)**

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred 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 enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

***Flow-through shares***

The Company has adopted a policy whereby proceeds from flow-through issuance are allocated between the offering of shares and the sale of tax benefits based on the premium that the investor pays for the shares. A liability is recognized for this difference and is extinguished by crediting other income when the Company has made the required expenditures and there is a reasonable expectation of the renunciation of these expenditures to the tax authorities

***Equipment***

Equipment is stated at historical cost less accumulated depreciation and impairment charges.

Amortization is calculated on the declining balance basis at the following annual rates:

Computer equipment	30%
Office equipment	20%
Exploration equipment	30%
Building	10 year straight-line

One-half the normal rate is recorded in the year of acquisition.

The Company's equipment is reviewed for an indication of impairment at the end of each reporting period. If an indication of impairment exists, the asset's recoverable amount is estimated. Impairment losses are recognized in profit or loss. An impairment loss is reversed if there is an indication that there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

The cost of replacing part of a piece of equipment is recognized in the carrying amount of the equipment if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of the equipment are recognized in profit or loss as incurred.

***Foreign currency translation***

The consolidated financial statements of the Company are prepared in the currency of the primary economic environment in which the Company operates (its functional currency). The functional and presentation currency of the Company is the Canadian dollar.

In preparing the financial statements, transaction in currencies other than the Company's functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, necessary items denominated in foreign currencies are retranslated at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise.

## **BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements  
(Unaudited - Expressed in Canadian dollars)  
For the period ended April 30, 2021

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### **2. Significant accounting policies and basis of preparation (continued)**

#### ***Basic and diluted loss per share***

Basic loss per share is computed by dividing net loss available to common shareholders by the weighted average number of outstanding common shares for the period. In computing diluted earnings per share, an adjustment is made for the dilutive effect of the exercise of stock options and warrants. The number of additional shares is calculated by assuming that outstanding stock options and warrants are exercised and that the proceeds from such exercises were used to acquire common shares at the average market price during the reporting periods. In periods where a net loss is reported, outstanding options and warrants are excluded from the calculation of diluted loss per share, as they are anti-dilutive. Diluted loss per share is equal to the basic loss per share as net losses were reported during the periods presented.

#### ***Leases***

The Company adopted IFRS 16 - Leases ("IFRS 16") on February 1, 2019. The objective of the new standard is to eliminate the classification of leases as either operating or financing leases for a lessee and report all leases on the statement of financial position. The only exemption to this will be for leases that are one year or less in duration or for leases of assets with low values. Under IFRS 16 a lessee is required to recognize a right-of-use asset, representing its right to use the underlying asset, and a lease liability, representing its obligations to make lease payments. IFRS 16 also changes the nature of expenses relating to leases, as lease expenses previously recognized for operating leases are replaced with depreciation expense on capitalized right-of-use assets and finance or interest expense for the corresponding lease liabilities associated with the capitalized right-of-use leased assets.

The Company adopted IFRS 16 using the modified retrospective approach and did not restate comparative amounts for the year prior to first adoption. For all leases, the lease liability was measured at February 1, 2019 as the present value of any future minimum lease payments discounted using the appropriate incremental borrowing rate. The associated right of use assets was measured at the amount equal to the lease liability on February 1, 2019.

At inception of a contract, management assess whether a contract is, or contains, a lease. 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.

As a lessee, the Company recognizes a right-of-use asset, and a lease liability at the commencement date of a lease. The right-of-use asset is initially measured at cost, which is comprised of the initial amount of the lease liability adjusted for any payments made at or before the commencement date, plus any decommissioning and restoration costs, less any lease incentives received. The right-of-use asset is subsequently depreciated from the commencement date to the earlier of the end of the lease term, or the end of the useful life of the asset. In addition, the right-of-use asset may be reduced due to impairment losses, if any, and adjusted for certain measurements of the lease liability.

A lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by the interest rate implicit in the lease, or if that rate cannot be readily determined, the incremental borrowing rate. Lease payments included in the measurement of the lease liability are comprised of:

- fixed payments, including in-substance fixed payments, less any lease incentives receivable;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- exercise prices of purchase options if we are reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

**BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the period ended April 30, 2021

**2. Significant accounting policies and basis of preparation (continued)**

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, or if there is a change in our estimate or assessment of the expected amount payable under a residual value guarantee, purchase, extension or termination option. Variable lease payments not included in the initial measurement of the lease liability are charged directly to profit.

As part of the initial application of IFRS 16, we have elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases are charged directly to profit on a straight-line basis over the lease term.

**Government Assistance**

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the period that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, the cost of the asset is reduced by the amount of the grant and the grant is recognized as income in equal amounts over the expected useful life of the asset.

**3. Property and equipment**

	<b>Computer Equipment</b>	<b>Office Equipment</b>	<b>Exploration Equipment</b>	<b>Building</b>	<b>Total</b>
<b>Cost:</b>					
At January 31, 2020	\$ 4,054	\$ 18,681	\$ 27,309	\$ 27,507	\$ 77,551
Disposals	-	(1,365)	-	-	(1,365)
At January 31, 2021	4,054	17,316	27,309	27,507	76,186
Additions	1,426	-	-	-	1,426
Disposals	(4,054)	(15,412)	-	-	(19,466)
At April 30, 2021	\$ 1,426	\$ 1,904	\$ 27,309	\$ 27,507	\$ 58,146
<b>Depreciation:</b>					
At January 31, 2020	\$ 3,811	\$ 18,286	\$ 26,920	\$ 8,252	\$ 57,269
Charge for the period	72	68	116	2,754	3,010
Eliminated on disposal	-	(1,200)	-	-	(1,200)
At January 31, 2021	3,883	17,154	27,036	11,006	59,079
Charge for the period	53	2	20	688	763
Eliminated on disposal	(3,883)	(15,298)	-	-	(19,181)
At April 30, 2021	\$ 53	\$ 1,858	\$ 27,056	\$ 11,694	\$ 40,661
<b>Net book value:</b>					
At January 31, 2021	\$ 171	\$ 162	\$ 273	\$ 16,501	\$ 17,107
At April 30, 2021	\$ 1,373	\$ 46	\$ 253	\$ 15,813	\$ 17,485

**BELMONT RESOURCES INC.**

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**4. Exploration and evaluation assets**

	USA		Canada				Total
	Kibby Basin	Pathfinder	Athelstan Group	Come by Chance	Pride of the West/ Black Bear	Other	
<b>Property acquisition costs</b>							
Balance, January 31, 2021	\$ 362,128	\$ 103,893	\$ 57,064	\$ 12,500	\$ 71,500	\$ 1	\$ 607,086
Additions							
Cash payments	-	-	31,710	-	-	-	31,710
Claim fees and staking costs	51,000	-	-	-	-	-	51,000
Payments with common shares	-	-	31,438	-	-	-	31,438
Balance, April 30, 2021	413,128	103,893	120,212	12,500	71,500	1	721,234
<b>Exploration and evaluation costs</b>							
Balance, January 31, 2021	718,261	12,321	140,786	34,132	25	-	905,525
Costs incurred during year:							
Assays and testing	-	-	30,347	-	-	-	30,347
Drilling	-	-	291,770	-	-	-	291,770
Geological consulting	-	-	14,887	-	-	-	14,887
Camp office & accommodation	-	-	7,780	-	-	-	7,780
Licenses, fees, and taxes	-	-	141	-	-	-	141
Reports and administration	-	-	-	1,000	-	-	1,000
	-	-	344,925	1,000	-	-	344,784
Balance, April 30, 2021	718,261	12,321	485,711	35,132	25	-	1,251,450
Total	\$ 1,131,389	\$ 116,214	\$ 605,923	\$ 47,632	\$ 71,525	\$ 1	\$ 1,972,684

**BELMONT RESOURCES INC.**

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**4. Exploration and evaluation assets (cont'd)**

	USA		Canada			Pride of the West/		Total
	Kibby Basin	Pathfinder	Athelstan Group	Come by Chance	Black Bear	Other		
<b>Property acquisition costs</b>								
Balance, January 31, 2020	\$ 333,209	\$ 102,449	\$ 23,183	\$ -	\$ 6,500	\$ 1	\$	465,342
Additions								
Cash payments	-	-	-	7,500	-	-	-	7,500
Claim fees and staking costs	28,919	-	781	-	-	-	-	29,700
Payments w ith common shares	-	-	33,100	5,000	65,000	-	-	103,100
Payments w ith issuance of units	-	1,444	-	-	-	-	-	1,444
Balance, January 31, 2021	362,128	103,893	57,064	12,500	71,500	1		607,086
<b>Exploration and evaluation costs</b>								
Balance, January 31, 2020	718,261	12,241	-	-	-	-	-	730,502
Costs incurred during year:								
Drilling	-	-	36,400	-	-	-	-	36,400
Geological consulting	-	-	28,483	-	-	-	-	28,483
Magnetic survey	-	-	71,956	28,132	-	-	-	100,088
Camp office & accommodation	-	80	1,806	-	-	-	-	1,886
Licenses, fees, and taxes	-	-	162	-	25	-	-	187
Reports and administration	-	-	1,979	6,000	-	-	-	7,979
Balance, January 31, 2021	718,261	12,321	140,786	34,132	25	-	-	905,525
Total	\$ 1,080,389	\$ 116,214	\$ 197,850	\$ 46,632	\$ 71,525	\$ 1	\$	1,512,611

## a) Kibby Basin, Nevada, USA

On March 29, 2016, the Company entered into a Property Purchase Agreement (the "Agreement") with Zimtu Capital Corp. ("Zimtu") to acquire 100% interest of 16 mineral claims, the Kibby Basin Property, located north of Clayton Valley, Nevada, U.S.A. Terms of the Agreement are:

- (i) Pay to Zimtu the sum of \$25,000 (paid); and,
- (ii) Issue 125,000 common shares to Zimtu (issued).

The property is subject to a 1.5% net smelter returns ("NSR") of which the Company has the right to purchase half of the NSR from Zimtu, at any time, for \$1,000,000. As of January 31, 2021, a reclamation bond of \$65,454 (January 31, 2020 - \$65,454) is held in trust for the Company at the Bureau of Land Management.

## b) Pathfinder Property, Greenwood Mining Division, southeastern British Columbia

On March 27, 2019 the Company entered into an acquisition agreement with David Heyman and Clive Brookes (the "Vendors"), to acquire 253.34 hectares of mineral claims which is part of the former Pathfinder Property, located in southern British Columbia, approximately 18 km north of Grand Forks, in the Greenwood Mining Division. Terms of the acquisition agreement include:

- Pay the Vendors \$25,000 upon signing (paid); and
- Issue a total of (post-consolidation) 187,500 common shares and 187,500 warrants (to each Vendor 93,750 common shares of the Company and 93,750 transferable warrants) exercisable at a price of \$0.80 per share for a period of two years from the approval date, as set out below:



## **BELMONT RESOURCES INC.**

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### **4. Exploration and evaluation assets (continued)**

- (i) 156,250 common shares and 156,250 warrants (78,125 shares and 78,125 warrants to each vendor) on the approval date (issued); and
- (ii) 31,250 shares and 31,250 warrants to the vendors (15,625 shares and 15,625 warrants to each vendor) on the one year anniversary of the Agreement date (issued).

A 1.5% Net Smelter Return Royalty ("NSR") is payable at 0.75% to each Vendor. The Company may acquire one-half of the NSR for \$1 million upon commencement of commercial production on the Property.

#### **c) Athelstan Group, Greenwood Mining Division, southeastern British Columbia**

On October 29, 2019 the Company entered into an acquisition agreement with David Heyman, Clive Brookes, and Zimtu Capital Corp. (the "Vendors"), to acquire two mineral claims containing 127 hectares of mineral claims known as the Glenora and Bay Horse claims located in southern British Columbia, in the Greenwood Mining Division. Terms of the acquisition agreement include:

- Issue a total of 420,000 units (issued). Each unit is composed of one common share and one transferable warrant exercisable at a price of \$0.08 per share until May 14, 2021, subject to an accelerated exercise clause. Should the weighted average trading price of the Company's shares be at or above \$0.20 for 10 consecutive trading days, the Company has the right to provide written notice to the Vendors that the expiry date of the warrants will be 30 days from the date of the notice. and
- Issue a total of 420,000 common shares on the one-year anniversary of the agreement date (issued).

A 1.5% Net Smelter Return Royalty ("NSR") is payable to the Vendors. The Company may acquire one-half of the NSR for \$500,000 within five years upon commencement of commercial production on the Property.

On May 7, 2020 the Company entered into a property acquisition agreement to acquire a 100% interest in the Crown mineral grant claims known as the Athelstan-Jackpot located in the Greenwood Mining Division in southern British Columbia. Terms of the acquisition agreement include:

- (i) 200,000 common shares upon Exchange approval (issued)
- (ii) 200,000 additional common shares on the one-year anniversary of the Agreement date (issued).
- (iii) \$50,000 USD cash payment on the one- year anniversary of the Agreement date. The Company has the option to issue common shares for  $\frac{1}{2}$  (\$25,000 USD) of the cash payment (paid and issued).
- (iv) A 2% NSR, with the Company having the right to buy back 1% of the NSR for \$500,000 USD.

In November 2020 the Company posted a \$14,000 bond with the Government of British Columbia to acquire a Mines Act Permit which is valid until November 26, 2025.

#### **d) Pride of the West and Black Bear Claims**

On November 21, 2019 the Company entered into a property acquisition agreement with a director of the Company to acquire a Crown mineral grant claim containing 20 hectares known as the Pride of the West Fraction located in the Greenwood Mining Division in southern British Columbia. Terms of the acquisition agreement include:

- Issue a total of 100,000 common shares upon TSX Venture Exchange approval (issued); and
- Cash payment of \$25,000, renegotiated to 500,000 common shares valued at \$25,000 (issued).

**BELMONT RESOURCES INC.**

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**4. Exploration and evaluation assets (continued)**

On November 30, 2019 the Company entered into a property acquisition agreement to acquire a reverted Crown mineral grant claim containing 250 hectares known as the Black Bear located in the Greenwood Mining Division in southern British Columbia. Terms of the acquisition agreement include:

- Issue a total of 100,000 common shares upon TSX Venture Exchange approval (issued); and
- Cash payment of \$25,000, renegotiated to issuance of 500,000 common shares (issued).

## e) Come by Chance Claims

On May 27, 2020 the Company entered into a property acquisition agreement to acquire 21 mineral claims and 15 reverted claims containing 527 hectares known as the Come by Chance located in the Greenwood Mining Division in southern British Columbia. Terms of the acquisition agreement include:

- (i) Cash payment of \$7,500 (paid);
- (ii) Issue 100,000 common shares upon TSX Venture approval (issued);
- (iii) 200,000 additional common shares on the one-year anniversary of the Agreement date (issued subsequent); and
- (iv) 200,000 additional common shares on the two-year anniversary of the Agreement date.

**5. Trade payables and accrued liabilities**

	April 30, 2021	January 31, 2021
Trade payables	\$ 69,017	\$ 64,571
Accrued liabilities	20,000	23,041
	<u>\$ 89,017</u>	<u>\$ 87,612</u>

**6. Flow-through share premium liability**

	April 30, 2021	January 31, 2021
Balance, beginning	\$ 91,013	\$ -
Liability incurred on flow-through shares issued	-	101,000
Settlement of flow-through share liability	(85,128)	(9,987)
Balance, ending	<u>\$ 5,885</u>	<u>\$ 91,013</u>

In December 2020 the Company issued 5,050,000 flow-through units for gross proceeds of \$404,000. The units were issued at a premium to the market price in recognition of the tax benefits accruing to subscriber. The Company recognized a flow-through premium liability of \$101,000.

The premium liability is derecognized through income as the qualifying expenditures are incurred. During the period, the Company satisfied \$85,128 of the commitment by incurring qualifying expenditures of \$380,459.

The Company is committed to incur a further \$23,541 of qualifying expenditures by December 31, 2021.

## **BELMONT RESOURCES INC.**

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### **7. Share capital**

#### ***Authorized share capital***

Unlimited number of common shares without par value.

#### ***Share Issuances***

During the period the Company issued a total of 875,000 common shares pursuant to the exercise of stock options at prices between \$0.06 and \$0.07 per share for proceeds of \$56,250. The fair value of \$55,372 was transferred from stock-based reserve to share capital. The weighted average trading price on the date of exercise was \$0.08.

During the period the Company issued a total of 350,000 common shares pursuant to the exercise of warrants at \$0.08 per share for proceeds of \$28,000.

On April 27, 2021 the Company issued 419,167 common shares with a fair value of \$31,438 in connection with a property acquisition agreement (Note 4).

On February 10, 2021 the Company issued 1,672,000 units at \$0.07 per unit for proceeds of \$117,040. Each unit comprises one common share and one warrant expiring February 10, 2023. Each warrant entitles the holder to acquire one additional common share at a price of \$0.10 per share. The warrant term may be accelerated in the event that the issuer's shares trade at or above a price of \$0.15 per share for a period of 10 consecutive days.

On January 6, 2021 the Company issued 1,250,000 units at \$0.07 per unit for proceeds of \$87,500. Each unit comprises one common share and one warrant expiring January 6, 2023. Each warrant entitles the holder to acquire one additional common share at a price of \$0.10 per share. The warrant term may be accelerated in the event that the issuer's shares trade at or above a price of \$0.15 per share for a period of 10 consecutive days.

On December 23, 2020 the Company issued 5,050,000 flow-through units at \$0.08 per unit for gross proceeds of \$404,000. Each unit comprises one flow-through common share and one warrant expiring December 23, 2022. Each warrant entitles the holder to acquire one additional common share at a price of \$0.12 per share. The Company paid a finder's fee of \$30,784 cash and 384,800 brokers' warrants. Each brokers' warrant entitles the holder to acquire one additional share at a price of \$0.12 until December 23, 2022. The brokers' warrants were valued at \$13,360 using the Black-Scholes option pricing model with a volatility of 153.41%, expected life of 1 year, discount rate of 0.20%, and a dividend rate of 0%. The warrant term may be accelerated in the event that the issuer's shares trade at or above a price of \$0.15 per share for a period of 10 consecutive days.

The flow-through units were issued at a premium in recognition of the tax benefits accruing to subscribers. The flow-through premium was calculated to be \$101,000 (Note 6).

On October 29, 2020 the Company issued 420,000 common shares with a fair value of \$23,100 in connection with a property acquisition agreement (Note 4).

On October 14, 2020 the Company issued 1,000,000 units at \$0.12 in connection with a private placement. This private placement was cancelled and the shares returned to treasury on November 6, 2020. The Company incurred \$1,200 in legal fees in connection with the issuance.

On September 29, 2020 the Company issued 875,000 common shares pursuant to the exercise of warrants at \$0.05 for proceeds of \$43,750.

## **BELMONT RESOURCES INC.**

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### **7. Share capital (continued)**

#### ***Share Issuances (continued)***

On August 27, 2020 the Company issued 9,175,000 units at \$0.075 per unit for gross proceeds of \$688,125. Each unit comprises one common share and one transferable share purchase warrant expiring August 27, 2023. Each warrant entitles the holder to acquire one additional common share at a price of \$0.10 per share. The Company paid a finder's fee of \$26,850 cash, \$10,500 in legal fees, and 358,000 brokers' warrants. Each brokers' warrant entitles the holder to acquire one additional share at a price of \$0.10 until August 28, 2023. The brokers' warrants were valued at \$21,469 using the Black-Scholes option pricing model with a volatility of 139.96%, expected life of 3 years, discount rate of 0.30%, and a dividend rate of 0%.

On August 13, 2020 the Company issued 500,000 common shares with a fair value of \$40,000 in connection with a property acquisition agreement (Note 4).

On July 6, 2020 the Company issued 500,000 units at \$0.05 per unit for gross proceeds of \$25,000. Each unit comprises one common share and one transferable share purchase warrant expiring July 6, 2021. Each warrant entitles the holder to acquire one additional common share at a price of \$0.08 per share. The warrant term may be accelerated in the event that the issuer's shares trade at or above a price of \$0.15 per share for a period of 10 consecutive days.

On June 22, 2020 the Company issued 500,000 common shares with a fair value of \$25,000 in connection with a property acquisition agreement (Note 4).

On June 5, 2020 the Company issued 100,000 common shares with a fair value of \$5,000 in connection with a property acquisition agreement (Note 4).

On May 14, 2020 the Company issued 200,000 common shares with a fair value of \$10,000 in connection with a property acquisition agreement (Note 4).

On May 7, 2020 the Company issued 2,200,000 units at \$0.03 per unit for gross proceeds of \$66,000. Each unit comprises one common share and one transferable share purchase warrant expiring May 7, 2022. Each warrant entitles the holder to acquire one additional common share at a price of \$0.05 per share. The Company paid a finder's fee of \$1,680 cash and 136,000 brokers' warrants. Each brokers' warrant entitles the holder to acquire one additional share at a price of \$0.05 until May 7, 2022. The brokers' warrants were valued at \$3,936 using the Black-Scholes option pricing model with a volatility of 134.99%, expected life of 2 years, discount rate of 0.32%, and a dividend rate of 0%.

On April 29, 2020 the Company issued 4,455,500 units at \$0.03 per unit for gross proceeds of \$133,665. Each unit comprises one common share and one transferable share purchase warrant expiring April 29, 2021. Each warrant entitles the holder to acquire one additional common share at a price of \$0.05 per share. The Company paid legal fees of \$3,600 and finder's fee of 180,000 brokers' warrants.

Each brokers' warrant entitles the holder to acquire one additional share at a price of \$0.05 until April 29, 2022. The brokers' warrants were valued at \$2,450 using the Black-Scholes option pricing model with a volatility of 126.71%, expected life of 2 years, discount rate of 0.32%, and a dividend rate of 0%.

On April 6, 2020 the Company issued 31,250 units valued at \$1,406 to acquire an exploration asset. Each unit comprises one common share and one transferable share purchase warrant expiring April 6, 2021. Each warrant entitles the holder to acquire one additional common share at a price of \$0.80 per share. The warrants were valued at \$38 using the Black-Scholes option pricing model with a volatility of 133.93%, expected life of 1 year, discount rate of 0.32% and a dividend rate of 0%.

On February 11, 2020 the Company issued 60,000 common shares with a fair value of \$2,100 as bonus shares in consideration of a promissory note issued.

**BELMONT RESOURCES INC.**

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**7. Share capital (continued)****Stock Options**

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable stock options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the Company's issued and outstanding common shares. Such options will be exercisable for a period of up to 10 years from the date of grant. In connection with the foregoing, the number of common shares reserved for issuance to any one optionee will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or 30 days following cessation of an optionee conducting investor relations activities' position. The options vest at the discretion of the Board of Directors.

The changes in stock options are as follows:

	Number of options	Weighted average exercise price
Balance, January 31, 2020	1,378,125	\$ 0.275
Granted	2,670,000	0.06
Expired	(150,000)	0.17
Exercised	(100,000)	0.40
Balance, January 31, 2021	3,898,125	\$ 0.12
Expired	(100,000)	0.48
Exercised	(875,000)	0.064
Balance, January 31, 2021	2,923,125	\$ 0.13
Exercisable, January 31, 2021	2,923,125	\$ 0.13

As at April 30, 2021, stock options were outstanding as follows:

Number of Options	Exercise Price	Expiry Date	Weighted Average Remaining Life (Years)
12,500*	\$0.40	May 17, 2021	0.05
240,625	\$0.48	July 9, 2021	0.19
25,000	\$0.40	September 11, 2021	0.37
250,000	\$0.40	February 22, 2022	0.82
450,000	\$0.06	August 22, 2022	1.31
50,000	\$0.06	October 17, 2022	1.47
200,000	\$0.05	February 24, 2023	1.82
1,195,000	\$0.06	August 28, 2025	4.33
505,000	\$0.07	January 29, 2026	4.75
2,923,125			

\*expired subsequent to quarter ended April 30, 2021

**BELMONT RESOURCES INC.**

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**7. Share capital (continued)**

During the period stock-based payments recognized on stock options vested were \$nil (January 31, 2021 - \$171,615). The fair value of the stock options granted was determined using the Black-Scholes option pricing model using the following weighted average assumptions:

	April 30, 2021	January 31, 2021
Expected life	-	4.85 years
Annualized volatility	-	134.13%
Risk-free interest rate	-	0.40%
Dividend rate	-	0%

**Warrants**

Changes in warrants are as follows:

	Number of warrants	Weighted average exercise price
Balance, January 31, 2020	8,140,536	\$ 0.91
Issued	23,644,550	0.09
Exercised	(875,000)	0.05
Cancelled	(1,276,786)	1.58
Expired/terminated	(1,907,500)	0.62
Balance, January 31, 2021	27,725,800	\$ 0.09
Issued	1,672,000	0.010
Exercised	(350,000)	0.05
Expired	(187,500)	0.80
Balance, April 30, 2021	28,860,300	\$ 0.09

The warrants outstanding at April 30, 2021 are as follows:

Number outstanding	Weighted average exercise price	Weighted average remaining life (years)	Expiry date
420,000*	\$ 0.08	0.04	May 14, 2021
4,030,000*	\$ 0.08	0.16	June 28, 2021
500,000	\$ 0.08	0.43	July 6, 2021
3,684,500	\$ 0.05	1.18	April 29, 2022
2,336,000	\$ 0.05	1.02	May 7, 2022
5,434,800	\$ 0.12	1.65	December 23, 2022
1,250,000	\$ 0.10	1.69	January 6, 2023
1,672,000	\$ 0.10	1.78	February 10, 2023
9,533,000	\$ 0.10	2.33	August 27, 2023
28,860,300	\$ 0.09	1.69	

\*expired subsequent.

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**8. Related party transactions*****Related party balances***

The following balances are due from related parties:

	April 30, 2021	January 31, 2021
Companies with directors and officers in common	\$ 114,155	\$ 114,155

During the year ended January 31, 2021, the Company recorded a bad debt expense of \$11,386 (2020 - \$81,486) in connection of impairment of the balance due from the companies with common directors and officers.

During the year ended January 31, 2021 the Company has recovered \$6,494 (2020 - \$42,499) of the prior year's bad debt.

The following amounts are due to related parties:

	April 30, 2021	January 31, 2021
Company with directors and officers in common	\$ 82,312	\$ 83,312
Directors	70,000	80,000
	\$ 132,063	\$ 163,312

Amounts due to and from related parties are unsecured, non-interest bearing and with no specific terms of repayment.

The Company recovered the following amounts from companies with common directors.

	Three months ended April 30,	
	2021	2020
Rent recoveries	\$ -	\$ 14,100
Administration services recoveries	-	3,420
	\$ -	\$ 17,520

***Key management personnel compensation***

	Three months ended April 30,	
	2021	2020
Management fees	\$ 30,000	\$ 21,250
Salaries and benefits	15,000	15,000
Stock-based payments	-	5,547
	\$ 45,000	\$ 41,797

On February 1, 2018 the Company entered into a Management Services Agreement with Geomorph Consulting, a company owned by the former Chief Executive Officer, for a monthly fee of \$5,000 for a term of two years. On November 15, 2019 the Agreement was terminated by the Company and termination pay of \$50,000 is payable.

## **BELMONT RESOURCES INC.**

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### **8. Related party transactions (continued)**

#### ***Related party balances (continued)***

On November 15, 2019 the Company entered into a Management Services Agreement with Cankor Capital Inc, a company owned by the Company's new Chief Executive Officer for a term of six months. The monthly fee will be \$5,000 for the first three months and \$7,500 thereafter. On June 15, 2020 the Company entered into a Management Consulting Agreement with Cankor Capital Inc. for an indefinite period with compensation of \$10,000 monthly.

During the period the Company has paid \$1,000 (2020 - \$nil) to a director of the Company for geological consulting services.

### **9. Financial instruments, risk and capital management**

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

#### **Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts and related party receivable. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using a major bank that is high credit quality financial institutions as determined by rating agencies.

The Company has concentrations of credit risk with respect to related party receivable as large amounts of its accounts receivable are concentrated amongst a small number of related parties. The Company performs valuation of the receivables but generally does not require collateral to support accounts receivable. Accounts receivable are shown net of any provision made for impairment of the receivables. Due to this factor, the Company believes that no additional credit risk, beyond amounts provided for collection loss, is inherent in related party receivable.

#### **Foreign Exchange Risk**

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company is exposed to exchange risk as a mineral property interest is located in the United States and transactions are conducted in the US dollar.

#### **Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash accounts is relatively unaffected by changes in short term interest rates.

#### **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 this risk by careful management of its working capital. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There is no assurance of continued access to significant equity funding. As discussed in Note 1: Going Concern, the Company requires additional funding to continue with its ongoing operations and exploration commitments.



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**9. Financial instruments, risk and capital management (cont'd)*****Capital Management***

The Company includes cash and equity in the definition of capital. Equity is comprised of issued common shares, reserves, and deficit.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, purchase shares for cancellation pursuant to normal course issuer bids or make special distributions to shareholders. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. There were no changes in the Company's approach to capital management during the year.

***Fair value***

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

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

Marketable securities are based on level 1 inputs.

**10. Government Grant**

Canadian Emergency Commercial Rent Assistance (CECRA)

The Government of Canada introduced the Canadian Emergency Commercial Rent Assistance ("CECRA") program in May 2020 which provides relief for eligible small business experiencing financial hardship due to COVID-19. Under the CECRA program, the Company must abate 75% of gross rents due for April to September for CECRA eligible tenants. In exchange of the abatements granted, the Company is eligible for forgivable interest free loans from the Government of Canada amounting to 50% of gross rents abated during the eligible timeframe, for a net rebatement of 25%. The Company believes it has met all the criteria under the CECRA program for the loans to be forgiven. During the year ended January 31, 2021, the Company has recorded \$35,417 (2020 - \$Nil) in government assistance receivable through the CECRA program from the federal government

**11. Non-cash transactions**

The Company incurred the following non-cash transactions that are not reflected in the statement of cash flows:

	Periods ended April 30,	
	2021	2020
Fair value of brokers' warrants issued	\$ -	\$ 2,450
Fair value of bonus shares issued in connection with the issuance of promissory notes	\$ -	\$ 2,100
Fair value of shares issued on acquisition of exploration and evaluation assets	\$ 31,438	\$ 6,500
Fair value of units issued on acquisition of exploration and evaluation assets	\$ -	\$ 1,444

**BELMONT RESOURCES INC.**

Notes to the Condensed Interim Consolidated Financial Statements

(Unaudited - Expressed in Canadian dollars)

For the period ended April 30, 2021

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**12. Subsequent events**

On May 7, 2021 the Company issued 200,000 common shares pursuant to a property acquisition.

On May 14, 2021 a total of 420,000 warrants exercisable at \$0.08 expired unexercised.

On May 17, 2021 a total of 12,500 options exercisable at \$0.40 expired unexercised.

On May 27, 2021 the Company issued 200,000 common shares pursuant to a property acquisition.

**BELMONT RESOURCES INC.**

**FORM 51-102F1**

**Management's Discussion & Analysis  
for the 1<sup>st</sup> Quarter-Ended April 30, 2021 (and containing information as of June 29, 2021)**

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**BELMONT RESOURCES INC.**  
(the “Company”)

**FORM 51-102F1**

**Management’s Discussion & Analysis**  
**for the 1<sup>st</sup> Quarter Ended – April 30, 2021**  
**(and containing information as of June 29, 2021)**

**Item 1: INTERIM MD&A**

**Introduction**

Management’s Discussion and Analysis (“MD&A”) focuses on significant factors that affected Belmont Resources Inc.’s performance and factors that may affect its future performance. In order to better understand the MD&A, it should be read in conjunction with the unaudited financial statements of the Company and the notes thereto for the 1<sup>st</sup> Quarter ended April 30, 2021 with comparatives to April 30, 2020; copies of which are filed on the SEDAR website: [www.sedar.com](http://www.sedar.com).

The Company reports its financial statements in accordance with International Financial Reporting Standards (“IFRS”). The Company’s financial statements and the MD&A are presented in Canadian dollars and are intended to provide a reasonable basis for the investor to evaluate the Company’s development and financial situation.

**Forward-Looking Statements**

This MD&A contains “forward-looking information” and “forward-looking statements” which include, but are not limited to, statements or information concerning the future financial or operating performance of Belmont Resources Inc. and its business. Forward-looking statements are projections of events, revenues, income, future economic performance or management’s plan and objective for future operations. In some cases, you can identify forward-looking statements by the use of terminology such as “may”, “should”, “expects”, “plans”, “anticipates”, “believes”, “estimates”, “predicts”, “potential” or “continue” or the negative of these terms or other comparable terminology. Examples of forward-looking statements made in this MD&A include statements about the Company’s business plans; the costs and timing of its developments; its future investments and allocation of capital resources; success of exploration activities; requirements for additional capital; and government regulation of mining operations. These statements are only predictions and involve known and unknown risks, uncertainties and other factors, including: general economic and business conditions; fluctuations in worldwide prices and demand for minerals; our lack of operating history; the actual results of current exploration activities; conclusions or economic evaluations; changes in project parameters as plans continue to be refined; possible variations in grade and recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes or other risks of the mining industry; delays in obtaining government approvals or financing or incompleteness of development or construction activities, any of which may cause our or our industry’s actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievements expressed or implied by these forward-looking statements.

While these forward-looking statements and any assumptions upon which they are based are made in good faith and reflect our current judgments regarding the direction of Belmont Resources Inc.’s business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggested herein. Except as required by applicable law, including the securities laws of Canada, the Company does not intend to update any of the forward-looking statements or conform these statements to actual results.

In March 2020 the World Health Organization declared the outbreak of COVID-19 a global pandemic. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and; specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company’s shares and its ability to raise new capital. These factors, among others, could have a significant impact on the Company’s operations

**Cautionary Note to Investors Concerning Estimates of Measured and Indicated Resources:** This discussion may use the terms “measured resources” and “indicated resources”. The Company advises investors that while those terms are recognized and required by Canadian regulators, the U.S. Securities and Exchange Commission does not recognize them. **Investors are cautioned not to assume that any part or all of mineral deposits in these categories will ever be converted into reserves.**

**NATURE OF BUSINESS:**

Belmont Resources Inc. (the “Company”) was incorporated January 18, 1978 under the laws of the Province of British Columbia. The Company is listed on the TSX Venture Exchange as a Tier 2 mining exploration issuer, and is primarily engaged in the acquisition, exploration and development of resource properties. The shares of the Company trade on the TSX-V under the symbol “BEA”.

**1.1 DATE: – JUNE 29, 2021**

The following discussion and analysis was approved by the Directors of the Company and should be read in conjunction with the unaudited consolidated financial statements for the quarters ended April 30, 2021 and comparative 2020; and the accompanying notes thereto. All figures are in Canadian dollars unless otherwise noted.

**1.2 OVERALL PERFORMANCE AND DEVELOPMENT:****(a) Crackingstone River (“CRR”) –Uranium City area, Northern Mining District, Northern Saskatchewan**

**During the year ended January 31, 2013, the Company assessed the likelihood of funding exploration activities and the ability to attract a suitable joint venture partner to participate on its property as very low due to global concerns of uranium use and overall market conditions. Accordingly, the Company has charged an additional impairment of \$199,999 to the property reducing it to a nominal \$1.**

**See Subsequent Event Notes Section 1.14 (C) (ii) following for further updates.**

**(b) Kibby Basin – Esmeralda County, Nevada-U.S.A.**

On **March 29, 2016** the Company entered into a Property Purchase Agreement (the “Agreement”) with Zimtu Capital Corp. (“Zimtu”) to acquire a 100% interest in the Kibby Basin Property (the “Property”) located 65 km north of Clayton Valley, Nevada-U.S.A. Terms of the Agreement are:

- Pay to Zimtu the sum of \$25,000 as follows:
  - (i) \$5,000 upon signing of the Agreement (**paid**).
  - (ii) \$20,000 upon regulatory approval of the Agreement (**paid**).
- Issue 125,000 common shares of Belmont to Zimtu as follows:
  - 62,500 common shares upon regulatory approval (**issued**) and
  - 62,500 common shares at six months from regulatory approval (**issued**).

The Agreement is subject to a 1.5% NSR of which the Company has the right to purchase half (50%) from Zimtu, at any time for \$1,000,000

On **May 26, 2016** the Company the TSX Venture Exchange (the “Exchange”) has accepted for filing the Property Purchase Agreement (the “Agreement”) to acquire a 100% interest in the Kibby Basin Property (the ‘Property’) located 65 km north of Clayton Valley, Nevada-U.S.A.

In addition, the Exchange has accepted for filing the NI 43-101 Technical Report dated May 26, 2016. Further information on the Technical Report can be reviewed as filed on SEDAR and on the Company’s website Project page at [www.BelmontResources.com](http://www.BelmontResources.com)

**2016 – 2018**

- **Details of exploration and developments for 2016 through to 2018 can be found on the April 30, 2019 Management Discussion & Analysis as filed on SEDAR.**

**During 2019:**

- **March 1, 2019** - After making significant alterations to their drill equipment on location; Harris Drilling re-commenced drilling on hole KB-4. Highly unusual weather conditions in the area including snow, freezing rain, and ice earlier in February; were also a cause for the delay in restarting hole KB-4.
- **March 21, 2019 – The State of Nevada Department of Conservation and Natural Resources – Division of Water Resources has approved Belmont’s application for water rights.** The two well permits to develop groundwater (brine) in the Monte Cristo Groundwater Basin may be the first of their kind in Nevada.
- **March 21, 2019** – The Company reported that hole KB-4 has completed at a depth of 840 feet into lakebed sediments.
- **May 2, 2019** – The Company reports assay results of Hole KB-4 on Kibby Basin, Nevada. For further details, review the news release as filed on SEDAR and on the Company website.

**During 2020:**

- **August 31, 2020** – The Company has paid the Annual Fees in the amount of \$21,220 USD to the Bureau of Land Management – Nevada. The property is in good standing. The Company is searching for an option or joint venture partner to continue advancing the exploration and development of this property.

**2021:**

- **February 26, 2021-** The Company announced that it has staked an additional 10,868 acres (4,398 ha) covering nearly the entire Kibby Basin bringing the total claim area to 16,012 acres (6,480 ha). With the additional claims Belmont now controls land covering most of the entire Kibby Basin.
- **April 19, 2021** – The Company filed with the State Engineer for the State of Nevada, an ‘Application for Extension of Time for Filing Proof of Completion of Work’ regarding a one year extension to its Water Permit.

See Subsequent Event Notes Section 1.14 (C) (ii) following for further updates.

**(c) Pathfinder Property, Greenwood Mining Division, southeastern British Columbia**

**March 27, 2019** - The Company entered into arm’s length acquisition agreement with David Heyman & Clive Brookes (the “Vendors”), to acquire 253.34 hectares of mineral claims which is part of the former Pathfinder Property, located in southern British Columbia, approximately 18 km north of Grand Forks, in the Greenwood Mining Division. The property covers a highly mineralized area at the northeastern edge of the Boundary Mining Camp; also known as the historically productive and larger Republic-Greenwood Gold District. Copper and gold mining in this camp dates back to the turn of the century.

Pursuant to the Agreement, in order to complete the acquisition the Company must:

- Pay the Vendors \$25,000 upon signing (**paid**);

- **Issued** a total of (on a post-consolidation basis) 187,500 common shares and 187,500 warrants (to each Vendor 93,750 common shares of the Company and 93,750 transferable warrants exercisable at a price of \$0.80 per share for a period of two years from the approval date, as set out below:
  - (i) 156,250 common shares and 156,250 warrants (78,125 shares and 78,125 warrants to each vendor on the approval date (**issued**);
  - (ii) 31,250 shares and 31,250 warrants to the vendors (15,625 shares and 15,625 warrants to each vendor) on the one year anniversary of the Agreement date (**issued**);

A 1.5% Net Smelter Return Royalty (“NSR”)- 0.75% to each Vendor. The Company may acquire one-half of the NSR for \$1 million upon commencement of commercial production on the Property.

**April 15, 2019** – The TSX Venture Exchange has accepted for filing documentation in connection with the mineral property acquisition agreement dated March 27, 2019 between David Heyman and Clive Brookes (the Vendors) and Belmont Resources Inc.

**May 9, 2019** – The Company engaged a geological consultant to visit the Pathfinder property to complete an initial assessment of the property. The proposed work program details can be reviewed in the news release as filed on SEDAR and on the Company website.

**July 30, 2019** – The Company received a positive Summary Report from the consulting geologist, who recently completed his visit to the property. The report gives details of surface rock sampling and compilation of previously published and un-published reports. Details of the work carried out, and sample assay highlights can be further review in our news release as filed on SEDAR and the Company website.

**October 17, 2019** – The Company reported further encouraging assay results on surface sampling. Gold, Silver and Copper results were identified with a high of 5.228 ppm Au, 35.86 ppm Ag, 2.07% Cu, and 1486.8 ppm Co. Further details can be reviewed in the news release as filed on SEDAR and the Company website.

**(d) Athelstan Group (i – iv Claims) , Greenwood Mining Division, southeastern British Columbia**

- (i) **October 29, 2019** – The Company has acquired 2 mineral claims (the “**Glenora and Bay Horse**” claims) containing approx. 127 hectares from three non-related third parties. The claims are adjacent to the south side of Golden Dawn’s –Golden Crown project.

Terms of the acquisition are:

- A total of 420,000 units upon TSX Venture Exchange approval. Each Unit contains one common share (the “Shares”) in the capital of Belmont and one transferable warrant (the “Warrants”) exercisable at a price of \$0.08 per Share for a period of 18 months from the approval date (**issued**).
  - An additional 420,000 shares of the Company on the one-year anniversary of the Agreement date (**issued**).
  - A 1.5% NSR royalty to the vendors, with Belmont having the right to acquire half (50%) of the NSR from the vendors within five years of the Agreement Date in consideration for \$500,000 cash.
- (ii) **November 21, 2019** – The Company entered into the acquisition of 100% interest in the **‘Pride of the West’** Crown Granted Claim (approx. 20 ha), in the historic Greenwood Gold Camp, B.C.

Terms of the Acquisition Agreement:

- 100,000 common shares (the “Shares”) upon TSX Venture Exchange approval (**issued** December 3, 2019 –shares had a hold period until April 4, 2020).
  - On completion of a financing or 120 days whichever comes first, the payment of \$25,000.
  - **June 17, 2020** - The Company and Laurence Sookochoff, the “Vendor” agreed to amend the terms of the cash payment of \$25,000 due on the property. The Vendor agreed to accept 500,000 common shares at a deemed price of \$0.05 in lieu of the cash payment; subject to Exchange approval.
  - **June 22, 2020** – The Company received Exchange acceptance of the amended agreement and the Company **issued** 500,000 common shares in the capital of the Company.
- (iii) **November 30, 2019** – The Company entered into the acquisition of 100% interest in the **‘Black Bear’** reverted Crown Granted Claim (approx. 25 ha), in the historic Greenwood Gold Camp, B.C.

Terms of the Acquisition Agreement:

- 100,000 common shares (the “Shares”) upon TSX Venture Exchange approval (**issued**);
  - On completion of a financing or 120 days whichever comes first, the payment of \$25,000;
  - **July 6, 2020** – The Company and George Nakade, the “Vendor” of the Black Bear mineral claim agreed to amend the terms of the cash payment of \$25,000 due on the property. The Vendor agreed to accept 500,000 common shares at a deemed price of \$0.05 in lieu of cash payment; subject to Exchange approval.
  - **August 13, 2020** – The Company received Exchange acceptance of the amended agreement and the Company issued 500,000 common shares in the capital of the Company.
- (iv) **May 7, 2020** – The Company has signed a Acquisition Agreement (the “Agreement”) with Forty Ninth Ventures Ltd. (the “Vendor”) to acquire 100% interest in the crown granted claims known as the **“Athelstan-Jackpot Property”**, located in the Greenwood Mining Division, B.C. Terms of the Agreement are:
- 200,000 common shares upon Exchange approval (**issued**).
  - 200,000 additional common shares on the one- year anniversary of the Agreement date (**issued**).
  - \$50,000 USD cash payment on the one- year anniversary of the Agreement date. Belmont has the option to issue common shares for ½ (\$25,000 USD) of the cash payment (**Issued 419,667 common shares in lieu of \$25,000 USD cash payment, and paid \$25,000 USD**).
  - A 2% NSR, with Belmont having the right to buy back 1% of the NSR for \$500,000 USD. Further details of the Athelstan Property and transaction can be reviewed in the May 11, 2020 news release as filed on SEDAR and the Belmont website.

**May 14, 2020** – The Company received Exchange acceptance of the Forty Ninth Ventures Ltd.-Athelstan Property Agreement and **issued** 200,000 common shares in connection with the Agreement.

**August 25, 2020** - A multi-year area-based exploration permit application has been submitted to the Ministry of Energy and Mines to cover this next phase of work on the property.

**September 22, 2020** – The Company completed a helicopter-borne Lidar survey. The 5.3 square km survey was flown by Pioneer Exploration Consultants Ltd., with point cloud data acquired at a density of 20 points per square metre.



**October 20, 2020** – The Company contracted SJ Geophysics to undertake a 3DIP survey. The survey will consist of the acquisition of 3D DC Resistivity/Induced Polarization (3DIP) data utilizing their proprietary Volterra Acquisition system, collectively referred to as a Volterra-3DIP survey

**November 19, 2020** - The Company announced that results from the recently completed Volterra 3D-IP survey have been received and interpreted. These results have identified several strong anomalies that are slated for drill testing. Further details can be reviewed in the news release as filed on our website and SEDAR.

**November 26, 2020** - The Company has been granted an Exploration Permit by the British Columbia Ministry of Energy and Mines for drilling and other surface exploration. This is a five-year area-based permit. A reclamation bond of \$14,000 was posted. Further details can be reviewed in the news release as filed on our website and SEDAR.

**January 21, 2021** – The Company announced drill crews mobilized and commenced drilling on February 1, 2021. Belmont plans to complete 2,000 metres of drilling.

**March 4, 2021-** **The Company reported that its initial diamond drill program at the A-J Gold Project in the Greenwood mining camp of southern British Columbia, has been completed. A total of 2,061 metres of NQ core drilling were completed with nine holes to test IP targets beneath the Contact and A-J gold trends.**

**See Subsequent Event Notes Section 1.14 (C) (ii) following for further updates.**

**(e) Come by Chance Property, Greenwood Mining Division, Southeastern, British Columbia**

**May 27, 2020** – The Company entered into a Property Acquisition Agreement (the “Agreement”) to acquire 100% interest in the Come By Chance mineral claims known as the (“CB Chance Property”), located in the Greenwood Mining Division, B.C. Terms of the Agreement are:

- (i) \$7,500 cash payment on Exchange acceptance (**paid**).
- (ii) Share Issuances in the capital of the Company as follows:
  - 100,000 common shares upon Exchange acceptance (**issued June 5, 2020**).
  - 200,000 common shares on the one- year anniversary of the Agreement Date (**issued May 27, 2021**)
  - 200,000 common shares on the second- year anniversary of the Agreement Date.
- (iii) A 1.5% NSR Royalty with the option for the Company to buy back 1% for \$1M Cdn. Further details of the CB Chance Property can be reviewed in the news release as filed on SEDAR and the Belmont website.

**June 5, 2020** – The Company received Exchange acceptance of the CB Chance Property Agreement and **issued** the initial 100,000 common shares in connection with the Agreement. The shares have a hold period until October 6, 2020.

**October 6, 2020** - A helicopter-borne Lidar survey has been completed. The 5.3 square km survey was flown by Pioneer Exploration Consultants Ltd., with point cloud data acquired at a density of 20 points per square metre. See the news release on our website and filed on SEDAR for further details.

**October 15, 2020** - The high resolution UAV (unmanned airborne vehicle) magnetic survey on the property has been completed. The 5.3 square km survey was flown by Pioneer Exploration Consultants Ltd.

The results of the magnetic survey have advanced the exploration of the CBC Property to specific locations for the next stage of exploration to ultimately locate the porphyry copper-gold intrusive-by diamond drilling.

**March 24, 2021- The Company filed on SEDAR a NI 43-101 Technical Report on the Come By Chance (“CBC”) copper-gold project.**

**See Subsequent Event Notes Section 1.14 (C) (ii) following for further updates.**

### 1.3 SELECTED ANNUAL INFORMATION:

The following table sets forth selected audited financial information of Belmont Resources Inc. for the last three completed financial years.

	<i>FISCAL YEARS ENDED</i>		
	<b>January 31, 2021</b>	<b>January 31, 2020</b>	<b>January 31, 2019</b>
Net Sales or Total Revenues	<b>\$Nil</b>	\$Nil	\$Nil
Total Comprehensive (Loss)	<b>*(\$611,402)</b>	**(\$665,748)	***(\$1,406,905)
Loss Per Share	<b>(\$0.02)</b>	(\$0.05)	(\$0.14)
Total Assets	<b>\$2,213,642</b>	\$1,424,036	\$1,262,170
Total long-term financial liabilities	<b>\$Nil</b>	\$Nil	\$Nil
Cash dividends declared per share	<b>\$Nil</b>	\$Nil	\$Nil

**\*During the year-ended January 31, 2021 the Company recorded a Recovery of Bad Debts of \$6,494 (\$42,499 in 2020). Operating expenses decreased by \$53,105. The largest decrease was in Travel & Promotion - \$16,528 (\$128,845 in 2020).**

**\*\*During the year-ended January 31, 2020 the Company recorded a Recovery of Bad Debts of \$42,499 (\$6,153 in 2019). Operating expenses during the year decreased by \$175,237. The largest decreases were in Travel & Promotion -\$128,845 (\$256,733 in 2019); Stock based payments (a non-cash item) which was \$97,184 (\$211,720 in 2019); and Bad Debt expense of \$80,486.**

**\*\*During the year-ended January 31, 2019 the Company recorded an Impairment of Exploration and Evaluation Assets of \$80,001 (\$Nil in 2018). Operating expenses during the year increased by \$659,053. The largest increase was in Stock-based payments (a non-cash item) which was \$211,720 (\$29,355 in 2018) as a result of 5,325,000 options granted during the year at \$0.05 & \$0.06 compared to only 2,000,000 at \$0.05 in the previous year. Also, a recording of 10 million warrants (valued at \$450,814) that were issued to MGX Minerals Inc. exercisable to August 24, 2021.**

### 1.4 DISCUSSION OF OPERATIONS UP TO AND INCLUDING THE THREE MONTHS ENDED APRIL 30, 2021:

The Company reports its financial statements in accordance with International Financial Reporting Standards (“IFRS”). The Company’s MD&A is presented in Canadian dollars and is intended to provide a reasonable basis for the investor to evaluate the Company’s development and financial situation. A significant part of the Company’s value is in Resource Property Interests relating to the Kibby Basin property in Nevada, USA, and now various acquisitions in the historic Greenwood Gold Camp, in British Columbia, Canada.

**For the three months ended April 30, 2021, the Company reported in its Statement of Comprehensive Loss a Total Comprehensive loss including other items of (\$31,519) compared to a Total Comprehensive loss of (\$83,206) for the three months ended April 30, 2020. Total operating expenses before Other Items increased by \$30,165 (34.90%) for the same comparable period. The main increases were in consulting and management fees.**

The Company has no producing properties, and consequently no sales or revenues.

**Increases** were in:

- Amortization increased marginally to \$764 in 2021 (\$752 in 2020) due to replacement of obsolete assets during the period.
- Consulting Fees increased to \$32,600 (\$16,920 in 2020) as a result of increased review and recommendations of property acquisitions, new marketing proposals, advertising, and financing opportunities.
- Legal, Audit, and Accounting increased to \$10,300 (\$4,000 in 2020) due to additional reporting requirements.
- Office and miscellaneous combined with Rent, Telephone and internet increased to \$8,395 in 2021 (\$7,777 in 2020), as the Company recorded office supplies, administrative and rent recoveries on a shared office bases. However as of December 1, 2021 the Company now rents it own office space at a rate of \$1,500 in a shares office space.
- Property related costs increased to \$922 (\$12 in 2020) due to the Kibby property building.
- Salaries and administrative services increased to \$49,960 (\$34,047 in 2020) as a result of a higher management contract fee with the new CEO.
- Recovery of flow-through liability of \$85,128 (**a non-cash item**), (\$nil in 2020) as a result of exploration expenditures incurred.
- Shareholder Relations combined with Travel and promotion increased to \$8,492 (\$2,400 in 2020). The Company incurred additional travel expenses related to its exploration program that was not capital related costs.

**Decreases** were in:

- Loan interest was \$nil (\$4,969 in 2020) as all promissory notes were repaid in the prior year.
- Recovery of shared office expenses previously written down of \$Nil (\$3,077 in 2020).
- Stock based payment expense (**a non-cash item**) decreased to \$Nil (\$6,897 in 2020) as a result of 200,000 options granted in the first quarter of 2020 compared to nil in 2021.
- Regulatory fees decreased to \$3,199 in 2021 (\$5,439 in 2020) as a result of fewer transactions in property agreements and private placements in the current year.
- Transfer agent fees decreased marginally to \$1,956 in 2021 (\$2,098 in 2020)

## 1.5 SUMMARY OF QUARTERLY RESULTS:

The following table sets forth selected (unaudited) quarterly financial information for each of the last eight most recently completed quarters:

	<i>QUARTERS ENDED</i>			
	<b>April 30, 2021</b>	<b>January 31, 2021</b>	<b>October 31, 2020</b>	<b>July 31, 2020</b>
Total Revenues	\$Nil	\$Nil	\$Nil	\$Nil
Net (Loss) Gain	*( <b>\$31,519</b> )	*( <b>\$126,141</b> )	***( <b>\$309,687</b> )	****( <b>\$92,368</b> )
(Loss) per Share	<b>(\$0.00)</b>	<b>(\$0.01)</b>	<b>(\$0.01)</b>	<b>(\$0.00)</b>

  

	<b>April 30, 2020</b>	<b>January 31, 2021</b>	<b>October 31, 2019</b>	<b>July 31, 2019</b>
	Total Revenues	\$Nil	\$Nil	\$Nil
Net (Loss) Gain	*( <b>\$83,206</b> )	**( <b>\$218,083</b> )	***( <b>\$128,268</b> )	****( <b>139,029</b> )
(Loss) per Share	<b>(\$0.00)</b>	<b>(\$0.00)</b>	<b>(\$0.01)</b>	<b>(\$0.01)</b>

\* The major difference in the 1<sup>st</sup> quarter ended April 30, 2021 compared to April 30, 2020 was the recovery of flow-through premium liability of \$85,128 (\$nil in 2020).

\*\*The major difference in the 4<sup>th</sup> quarter ended January 31, 2021 compared to January 31, 2020 was stock based payment of \$36,732 (\$852 in 2020) and bad debt expense of \$11,386 (\$81,486 in 2020).

\*\*\*The major difference in the 3<sup>rd</sup> quarter ended October 31, 2020 compared to October 31, 2019 was an increase in consulting fees to \$63,100 (\$10,000 in 2019) and stock based payment of \$127,134 (\$31,114 in 2019).

\*\*\*\*The major differences in the 2<sup>nd</sup> quarter ended July 31, 2020 compared with July 31, 2019 was a decrease in travel and promotion to \$4,774 (\$48,915 in 2019) and consulting fees of \$nil (\$18,400 in 2019)

## 1.6 LIQUIDITY:

At April 30, 2021 the Company had a working capital deficit of (\$110,737) compared to January 31, 2021 working capital of \$148,377. The Company expended \$208,967 on operating activities during the period ending April 30, 2021. The Company raised gross proceeds of \$201,290 through the issuance of securities during the period ended April 30, 2021 through private placements, and the exercise of warrants and options. The Company has limited working capital to continue administrative operations and to provide care and maintenance on its mineral properties, however, anticipates arranging further private placement financings and warrants being exercised to raise financing in order to continue developing its properties.

## 1.7 CAPITAL RESOURCES:

The Company's ability to continue as a going concern in the short term is dependent upon its ability to obtain financing. The Company obtains financing by the issuance of share capital or from the disposition of its mineral prospects. Although the Company has been successful in the past in obtaining financing, there can be no assurance that it will be able to obtain adequate financing in the future or that the terms of such financing will be favorable. Failure to obtain additional financing in the near future may result in the delay of exploration on new acquisitions.

### **During the first quarter ended April 30, 2021 the following share issuances occurred to raise share capital and for property acquisition payments:**

- **February 4, 2021 – Issued 375,000 common shares @ \$0.07 through the exercise of stock options for gross proceeds of \$26,250.**
- **February 10, 2021 – Issued 1,672,000 units (the “Units”) at a price of \$0.07 per Unit for gross proceeds of \$117,040. Each Unit consisted of one common share of the Company and one transferable share purchase warrant (a “Warrant”). Each whole Warrant will permit the holder to acquire one additional share of the Company at a price of \$0.10 until February 10, 2023. The warrant terms may be accelerated.**
- **February 17, 2021 – Issued 100,000 common shares at \$0.06 through the exercise of stock options for gross proceeds of \$6,000.**
- **February 19, 2021 – Issued 350,000 common shares at \$0.08 through the exercise of warrants for gross proceeds of \$28,000.**
- **February 24, 2021 – Issued 400,000 common shares at a price of \$0.06 through the exercise of stock options for gross proceeds of \$24,000.**
- **April 27, 2021 – Issued 419,167 common shares at a price of \$0.07 in lieu of \$25,000 USD (\$29,341.69 Cdn.) property payment on the A-J property.**

**See Subsequent Event Notes Section 1.14 (C) (i) following for further details of financial matters.**

## 1.8 OFF-BALANCE SHEET ARRANGEMENTS:

The Company has no other long-term debt, does not have any used lines of credit or other arrangements in

place to borrow funds, and has no undisclosed off-Balance Sheet Arrangements.

## 1.9 TRANSACTIONS BETWEEN RELATED PARTIES:

The Company entered into the following transactions with and had balances due to and from related parties as at the year ended April 30, 2021 (with comparative to April 30, 2020) as follows:

### Transactions between related parties during the periods are summarized below:

- Salaries and benefits of \$15,000 in 2021 (\$15,000 in 2020)
- Management fees<sup>1</sup> of \$30,000 in 2021 (\$21,250 in 2020)
- Geological consulting fees of \$1,000 in 2021 (\$nil in 2020)
- Rent recovery \$Nil in 2021 (\$14,100 in 2020)
- Office supplies and administrative services recovery<sup>2</sup> \$Nil in 2021 (\$3,420 in 2020)

<sup>2</sup>In the normal course of operations, the Company shared administrative, staff, occupancy, and management costs with a group of related companies (International Montoro Resources Inc. and Highbank Resources Ltd.). These agreements terminated on December 1, 2020, as the Company did not renew its office lease and the companies moved to other shared office locations.

Effective September 1, 2012 the Company signed an Amended Office Services Agreement with the Chief Financial Officer increasing his salary from \$4,000 per month to \$5,000 per month for a further two- year term. **This was automatically renewed for an additional two- year term at its anniversary date of September 1, 2019.**

<sup>1</sup>The Company entered into a settlement agreement with the Company's Chief Executive Officer who retired as of January 31, 2018. The compensation includes one-time severance payment of \$60,000. One-half \$30,000 of this severance had been paid in the previous financial year. The balance has been paid during the comparative period -ended April 30, 2020.

<sup>1</sup>On February 1, 2018, the Company entered into a Management Services agreement with Geomorph Consulting, a company owned by the Company's new Chief Executive Officer, for a monthly fee of \$5,000 for a term of two years. On November 15, 2019, the Agreement was terminated by the Company and a severance payment of \$50,000 is payable.

<sup>1</sup>**On November 15, 2019** the Company entered into a Management Services Agreement with Cankor Capital Inc., a company owned by the Company's new Chief Executive Officer for a term of six months. The monthly fee will be \$5,000 for the first three months and \$7,500 thereafter. **On June 15, 2020** the Company entered into a Management Consulting Agreement with Cankor Capital Inc. for an indefinite period with compensation of \$10,000 monthly.

**During the period the Company paid \$1,000 (2020 - \$Nil to a director of the Company for geological consulting services.**

#### (i) Amounts due from related parties as at the period ended April 30, 2021:

Companies with directors and officers in common owe \$114,155 in 2021 (\$124,708 at April 30, 2020). During the period ended April 30, 2021 the Company recovered \$Nil of the prior year's bad debt (2020 - \$3,077).

#### (ii) Amounts due to related parties as at the period ended April 30, 2021 were:

A total of \$132,063 is due to officers and directors and companies controlled by officers and directors of the Company for management fees, salaries, and expenses incurred; compared to \$163,312 for the year ended January 31, 2021.

A total of \$1,313 (2020 - \$1,988) is due to a company with directors and officers in common.

Related party transactions have been recorded at their exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to and from related parties are non-interest bearing, unsecured, and have no specified terms of repayment.

**1.10 PROPOSED TRANSACTIONS/COMMITMENTS:**

- (i) **The office lease expired November 30, 2020 and was not renewed. The Company moved on December 1, 2020 to another office location at Suite 615 -800 West Pender Street, Vancouver, B.C. – a shared office space renting on a month-to-month basis.**

**The Company applied for rent relief under the Canada Emergency Rent subsidy in 2020. The Company received \$35,417 (net of moving costs) in May 2021.**

- (ii) **May 7, 2020 Athelstan-Jackpot Property Agreement**

- 200,000 additional common shares on the one- year anniversary of the Agreement date (**issued May 7, 2021**)
- \$50,000 USD cash payment on the one- year anniversary of the Agreement date. Belmont had the option to issue common shares for ½ (\$25,000 USD) of the cash payment. (**issued April 27, 2021 419,167 common shares in lieu of \$25,000 USD) and \$25,000 USD cash (paid).**

- (iii) **May 27, 2020 Come by Chance Property Agreement**

- 200,000 additional common shares on the one-year anniversary of the Agreement date (**issued May 27, 2021**).
- 200,000 additional common shares on the two-year anniversary of the Agreement date.

**1.11 CRITICAL ACCOUNTING ESTIMATES:**

Our financial statements have been prepared in conformity with International Financial Reporting Standards (“IFRS”) and form the basis for discussion and analysis of critical accounting policies and estimates. Management is required to make estimates and assumptions that affect the report amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Significant financial statement areas requiring the use of management estimates relate to the determination of impairment of assets and resource property interests, and their useful lives for amortization, the fair value of investments and share-based compensation, and the recoverability of future income tax assets. Financial results as determined by actual events could differ materially from those estimates.

Risk management:

The Company’s mineral property holdings and exploration activities create potential exposure to environmental liabilities, including site reclamation. The Company is currently in the initial exploration stages on its United States property interests and management has not determined whether significant site reclamation costs will be required. The Company records liability for site reclamation when determinable on a systematic accrual basis in the period in which such costs can be reasonably determined.

The Company’s approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities as they come due. Due to current economic conditions in capital markets the Company has a high risk associated with liquidity. The Company does not hold complex financial instruments or significant long-term assets.

**1.12 CHANGES IN ACCOUNTING POLICIES INCLUDING INITIAL ADOPTION:**

None

### 1.13 FINANCIAL AND OTHER INSTRUMENTS:

The Company's financial instruments consist of cash, marketable securities, accounts receivables, amounts due to and from related parties, and accounts payable and accrued liabilities. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant interest, currency risks arising from financial instruments. The fair value of these financial instruments approximates their carrying value due to their short-term maturity or capacity of prompt liquidation.

### 1.14 OTHER MD&A REQUIREMENTS:

Additional information relating to the Company's operations and activities can be found by visiting the Company's website [www.BelmontResources.com](http://www.BelmontResources.com) as well as numerous news releases and NI 43-101 reports filed on SEDAR at [www.sedar.com](http://www.sedar.com)

#### **April 28, 2017 - DTC Eligible:**

Belmont Resources Inc. has been made eligible for book-entry delivery and depository services of the Depository Trust Company (DTC) to facilitate electronic settlement and transfer of its common shares on the U.S. stock exchange OTC.

The Depository Trust Company is one of the world's largest securities depositories. While there is no requirement that any security be held at DTC to trade, many brokerage firms and issuers want to take advantage of the efficiencies and cost benefits that DTC offers.

As the Company is now eligible; DTC, through its nominee Cede & Co., it is the registered holder of the securities, routinely managing the electronic, book-entry transfers of interests in securities among participants.

This electronic method of clearing securities accelerates the receipt of stock and cash, and thus streamlines the settlement process for investors and brokers, enabling the stock to be traded over a much wider selection of brokerage firms by coming into compliance with their requirements.

#### **Annual General Meeting:**

**July 30, 2020** - The nominees listed in the management Information Circular for the 2020 Annual General Meeting of Shareholders (the "AGM") held on July 30, 2020 were elected as directors of the Company. The shareholders elected recently appointed George Sookochoff and Laurence Sookochoff; and re-elected James H. Place, Gary Musil, Vojtech Agyagos, for the upcoming year.

The scrutineer reported that there was a total of 24 shareholders holding 2,766,169 common shares represented in person or by proxy at the meeting. This represented 11.45% of the total 24,162.155 issued and outstanding at record date. Detailed results of the vote for the election of directors are set out below:

<b><u>Nominee</u></b>	<b><u>Votes For</u></b>	<b><u>%For</u></b>	<b><u>Votes Withheld</u></b>	<b><u>% Withheld</u></b>
George Sookochoff	2,766,169	100.00%	-	-
Gary Musil	2,766,169	100.00%	-	-
James H. Place	2,735,857	98.89%	30,312	1.11%
Vojtech Agyagos	2,765,857	99.99%	312	0.01%
Laurence Sookochoff	2,764,169	99.93%	2,000	0.07%

Other resolutions submitted by management to shareholders for consideration were approved as presented, including the approval of the Company's Stock Option Plan as summarized in the Information Circular (98.90% For; 1.10% Against). Approval of the re-appointment of Dale Matheson Carr-Hilton Labonte LLP,

Chartered Professional Accountants, as auditors for the ensuing year, and authorized the Directors to fix their remuneration (99.93% For; 0.07% Withheld).

Laurence Sookochoff, P.Eng. joins the board as of the July 30, 2020 AGM. Details of his experience can be found in the news release dated August 4, 2020 as found on our website and as filed on SEDAR.

At the Directors Meeting following the AGM, the directors appointed George Sookochoff as President/Chief Executive Officer & Chairman, and Gary Musil as Corporate Secretary/Chief Financial Officer. The Audit Committee appointees are: Gary Musil, Vojtech Agyagos & Laurence Sookochoff.

**Stock Option Plan – Rolling:**

**September 2, 2020** – The Company filed the 2020 Annual Stock Option Plan (the “Plan”) with the TSX Venture Exchange for acceptance. The Plan was approved by shareholders at the July 30, 2020 AGM. On **September 9, 2020** the Exchange accepted for filing the Company’s annual renewal of its Rolling 10% Plan.

**Shareholder and Investor Relations:**

**On January 19-23, 2020** the Company exhibited at the Vancouver Resource Investment Conference (VRIC) in the Vancouver Convention Centre. This was followed by two more day at the AMEBC annual “Roundup” Mining Conference.

**March 1-4, 2020** - The Company exhibited with Zimtu Capital Corp. at the annual Prospectors and Developers Association of Canada Convention (**PDAC**) in the Metro Toronto-Ontario Convention Centre.

**Other:**

**May 17, 2018** – The Company appointed Ian Graham, B.Sc. (Geology) to its Advisory Board. Mr. Graham is an accomplished mining executive with over 20 years of international experience exploring for and developing mineral deposits. He has spent over half of his career working for major mining companies, including roles at Rio Tinto and Anglo American. Mr. Graham possesses industrial minerals experience and is well known for his successes within the diamond sector.

**November 13, 2019** – The Company announced the appointment of George Sookochoff as its new President and CEO, effective immediately. Mr. Sookochoff replaces former President and CEO James (Jim) H. Place, P.Geo. Mr. Place will remain on the board of directors and continue to offer his services as required. Further details of Mr. Sookochoff’s experience and past services in the mining industry can be reviewed in the news release as filed on SEDAR and on our website at [www.belmontresources.com](http://www.belmontresources.com)

**November 30, 2020** – The Company’s five-year office lease expired and the Company did not renew its lease on 625 Howe Street. The Company has arranged rental of new office space at #615, 800 West Pender Street, Vancouver, B.C. on a month-to- month basis commencing December 1, 2020.

**A. Authorized and Issued Share Capital as at June 29, 2021:**

Authorized: Unlimited common shares without par value.

Issued and outstanding: **45,648,322** common shares post-consolidated (June 6, 2019 – consolidated 8 old shares for 1 new share.

**B. Options, Warrants & Convertible Securities Outstanding as at June 29, 2021:**

The following options, warrants, and convertible securities were outstanding (**shown on a post-consolidated basis**):



<b>Options Number</b>	<b>Exercise Price</b>	<b>Expiry Date</b>
240,625	\$0.48	July 9, 2021
25,000	\$0.40	September 11, 2021
250,000	\$0.40	February 22, 2022
450,000	\$0.06	August 22, 2022
50,000	\$0.06	October 17, 2022
200,000	\$0.05	February 24, 2023
1,195,000	\$0.06	August 28, 2025
500,000	\$0.07	January 29, 2026
<b><u>2,910,625</u></b>		

-During the 1<sup>st</sup> quarter-ended April 30, 2021 – 100,000 options expired unexercised; and 875,000 options were exercised at prices between \$0.06 & \$0.07 per share.

<b>Warrants Number</b>	<b>Exercise Price</b>	<b>Expiry date</b>
500,000	\$ 0.08	July 6, 2021
3,334,500	\$ 0.05	April 29, 2022
2,336,000	\$ 0.05	May 7, 2022
5,434,800	\$ 0.12	December 23, 2022
1,250,000	\$ 0.10	January 6, 2023
1,672,000	\$0.10	February 10, 2023
9,533,000	\$ 0.10	August 28, 2023
<b><u>24,060,300</u></b>		

-During the 1<sup>st</sup> quarter-ended April 30, 2021 – 187,500 warrants expired at \$0.80; and 350,000 were exercised at \$0.08 on April 8, 2021.

### C. Subsequent Events following April 30, 2021 to June 29, 2021:

#### Other Transactions and News Releases:

##### (i) Share Capital Transactions:

Financings: Nil

Options:

- Nil were exercised
- On May 17, 2021 a total of 12,500 options exercisable at \$0.40 expired unexercised.

Warrants:

- Nil were exercised
- On May 14, 2021 a total of 420,000 warrants exercisable at \$0.08 expired unexercised.
- On June 28, 2021 a total of 4,030,000 warrants exercisable at \$0.08 expired unexercised.

Other:

- On May 7, 2021 the Company issued 200,000 common shares pursuant to a property acquisition.
- On May 27, 2021 the Company issued 200,000 common shares pursuant to a property acquisition.

**(ii) News Releases and other Transactions:**

- **May 18, 2021-** The Company announced that it has completed the terms of the option agreement for acquisition of the A-J (Athelstan-Jackpot) gold project signed in May 7, 2020. The Company now holds a 100% interest in the property, subject to a NSR of 2.0% which the company can reduce to 1.0% with a payment of US\$500,000 to the vendors.
- **May 20, 2021-** The Company announced the results from the final 4 holes of the recently completed Phase 1 - 9 hole (2061 m) drill program on its A-J property. Results from the first 5 drill holes were previously released (see Belmont news release, 2021-04-29). For further details, you can review the results on the Company's website and as filed on SEDAR.
- **May 27, 2021-**The Company announced that it has completed further terms of the option agreement signed on May 27, 2020 on the Come By Chance ("CBC") property. The Company issued the one-year anniversary property payments of 100,000 common shares. The shares are restricted from trading until September 28, 2021.
- **June 3, 2021** –The Company arranged a debt settlement with a related party receivable. The related party was indebted to the Company for rent & office services. The Company agreed to a cash payment of \$30,000 and receipt of 50% of the Uranium City, Saskatchewan claims. The Company now owns 100% of these claims, subject to a 3% Net Smelter
- **June 10, 2021** – The Company announced that it is preparing to initiate an IP Survey on the CBC project. The IP survey will provide definitive drill targets which will be tested in a planned drill program for Q3-2021.

**D. Evaluation of Disclosure Controls and Procedures**

An internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. The Company operates with a small executive board and internal staff. Accordingly, lack of segregation of duties is an identified internal control weakness. There have been no significant changes in the Company's system of internal financial controls over the past year.

The Company's interim and annual filings and other reports filed or submitted under Canadian securities laws are recorded, processed, summarized and reported within the time periods specified by those laws and that the material information is accumulated and communicated to Management of the Company, including the President and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

**E. Corporate Governance Disclosure**

The Company has submitted to its members and shareholders details in the Information Circular dated **June 25, 2020** Corporate Governance Disclosure guidelines that have been presented to the Board of Directors for periodic review. Some of these guidelines are: Outlining the Company's business and implementation of appropriate systems to manage any associated risks, communications with investors and the financial community and the integrity of the Company's internal control and management information systems. The Management of the Company periodically updates directors with regulatory policy changes. The Board has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company. The Company's Information Circular can be reviewed on [www.Sedar.com](http://www.Sedar.com)

## F. Risks and Uncertainties

The Company's principal activity is mineral exploration and development. Companies in this industry are subject to many and varied kinds of risks, including but not limited to, environmental, metal prices, political and economical.

The Company has no producing properties, no significant sources of operating cash flows and consequently no sales or revenues from operations. The Company has either not yet determined whether its mineral properties contain mineral reserves that are economically recoverable or where reserves have been determined, mining operations have not yet commenced. The Company has limited financial resources. Property interests in whom the Company owns are in the exploration stages only, are without and may not result in any discoveries of commercial mineralization, and have no ongoing mining operations. Mineral exploration involves a high degree of risk and few properties, which are explored, are ultimately developed into producing mines, the result being the Company will be forced to look for other exploration projects.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous materials and other matters.

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

### Credit Risk:

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to credit risk is on its cash held in bank accounts. As most of the Company's cash is held by one bank there is a concentration of credit risk. This risk is managed by using major banks that are high credit quality financial institutions as determined by rating agencies.

### Foreign Exchange Risk:

Foreign currency risk is the risk that the fair values of future cash flows of a financial instrument will fluctuate because they are denominated in currencies that differ from the respective functional currency. The Company's functional currency is the Canadian dollar. There is minimal foreign exchange risk to the Company as its mineral property interests are located in Canada.

### Interest Rate Risk:

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk relates to its ability to earn interest income on cash balances at variable rates. The fair value of the Company's cash accounts is relatively unaffected by changes in short term interest rates.

### 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 this risk by careful management of its working capital. Historically, the Company's sole source of funding has been the issuance of equity securities for cash, primarily through private placements. The Company's access to financing is always uncertain. There can be no assurance of continued access to significant equity funding. The Company had a working capital deficit of \$110,737 as at April 30, 2021, and as discussed in Note 1: Going Concern, will require additional funding for ongoing operations and exploration.

Price Risk:

The Company is exposed to price risk in relation to its listed marketable securities held. A 10% change in the market would result in a change of approximately \$305 to comprehensive loss. Management regularly reviews the expected returns from holding such investment on an individual basis.

This is an unofficial consolidation of Form 52-109FV2 *Certification of Interim Filings Venture Issuer Basic Certificate* reflecting amendments made effective January 1, 2011 in connection with Canada's changeover to IFRS. The amendments apply for financial periods relating to financial years beginning *on or after* January 1, 2011. This document is for reference purposes only and is not an official statement of the law.

**Form 52-109FV2**  
***Certification of Interim Filings***  
***Venture Issuer Basic Certificate***

I, Gary Musil, Chief Financial Officer of Belmont Resources Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of **Belmont Resources Inc.** (the “issuer”) for the interim period ended **April 30, 2021**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: June 29, 2021

“**Gary Musil**”

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Gary Musil  
Chief Financial Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

This is an unofficial consolidation of Form 52-109FV2 *Certification of Interim Filings Venture Issuer Basic Certificate* reflecting amendments made effective January 1, 2011 in connection with Canada's changeover to IFRS. The amendments apply for financial periods relating to financial years beginning *on or after* January 1, 2011. This document is for reference purposes only and is not an official statement of the law.

**Form 52-109FV2**  
***Certification of Interim Filings***  
***Venture Issuer Basic Certificate***

I, George Sookochoff, Chief Executive Officer of Belmont Resources Inc., certify the following:

1. **Review:** I have reviewed the interim financial report and interim MD&A (together, the “interim filings”) of **Belmont Resources Inc.** (the “issuer”) for the interim period ended **April 30, 2021**.
2. **No misrepresentations:** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings.
3. **Fair presentation:** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.

Date: June 29, 2021

“*George Sookochoff*”

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George Sookochoff  
Chief Executive Officer

**NOTE TO READER**

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

# **BELMONT RESOURCES INC.**

## **CORPORATE DATA**

### **Head Office**

#615 – 800 West Pender Street  
Vancouver, B.C., V6C 2V6  
Contact: Gary Musil, CFO  
Tel: (604) 683-6648 or  
Cell: (604)787-7356 &  
Cell: (604) 505-4061

E-Mail: [gmusil@belmontresources.com](mailto:gmusil@belmontresources.com)  
Website: [www.BelmontResources.com](http://www.BelmontResources.com)

### **Directors and Officers**

George Sookochoff, CEO/President/Director  
Gary Musil, Secretary/CFO/Director  
James H. Place, Director  
Vojtech Agyagos, Director  
Laurence Sookochoff, Director

### **Registrar and Transfer Agent**

AST Trust Company (Canada) (formerly CST  
Company, Inc.)  
#1600 - 1066 W. Hastings Street  
Vancouver, B.C. V6E 3X1

### **Solicitors**

Fang & Associates  
Suite 1400 – 1125 Howe Street  
Vancouver, B.C. V6Z 2K8

### **Auditors**

Dale, Matheson, Carr-Hilton, LaBonte, LLP,  
Chartered Professional Accountants  
#1500 – 1140 W. Pender Street  
Vancouver, B.C. V6E 4G1

### **Listing**

TSX Venture Exchange  
Symbol: **BEA**  
Frankfurt Stock Exchange  
Symbol: **L3L2**