
ANGUS GOLD INC.
(FORMERLY ANGUS VENTURES INC.)
FINANCIAL STATEMENTS
YEARS ENDED JANUARY 31, 2021 AND 2020
(EXPRESSED IN CANADIAN DOLLARS)

Independent Auditor's Report

To the Shareholders of Angus Gold Inc. (formerly Angus Ventures Inc.):

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Angus Gold Inc. (formerly Angus Ventures Inc.) (the "Company"), which comprise the statements of financial position as at January 31, 2021 and 2020, and the statements of comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at January 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is James D. Gray.



CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, BC, Canada

May 28, 2021

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Statements of Financial Position (Expressed in Canadian Dollars)

	As at January 31, 2021	As at January 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 2,087,462	\$ 1,312,705
HST receivable	22,270	17,282
Prepaid expenses	14,845	-
Total current assets	2,124,577	1,329,987
Non-current assets		
Property and equipment (note 3)	19,968	-
Total assets	\$ 2,144,545	\$ 1,329,987
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued liabilities	\$ 62,413	\$ 38,837
Due to related parties (note 11)	12,525	11,791
Total current liabilities	74,938	50,628
Non-current liabilities		
Due to related parties (note 11)	-	2,848
Total liabilities	74,938	53,476
Shareholders' equity		
Share capital (note 4)	6,918,925	1,750,390
Contributed surplus (note 6)	161,426	101,086
Accumulated deficit	(5,010,744)	(574,965)
Total shareholders' equity	2,069,607	1,276,511
Total liabilities and shareholders' equity	\$ 2,144,545	\$ 1,329,987

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

Nature and continuance of operations (note 1)

Commitments (note 13)

Subsequent events (note 14)

Approved on behalf of the Board:

"Patrick Langlois", Director

"Dennis Peterson", Director

Angus Gold Inc. (Formerly Angus Ventures Inc.)**Statements of Comprehensive Loss****(Expressed in Canadian Dollars)**

	Year Ended January 31,	
	2021	2020
Operating expenses		
Depreciation (note 3)	\$ 2,532	\$ -
Exploration and evaluation expenditures (note 8)	4,147,548	123,508
Filing and regulatory fees	10,788	8,674
Interest income	(9,179)	(18,273)
Office and general	19,061	835
Professional fees (note 11)	124,663	116,983
Share-based payments (note 6)	80,883	18,027
Shareholder information	29,447	32,001
Travel and promotion costs	30,036	1,704
Net loss and comprehensive loss for the year	\$ (4,435,779)	\$ (283,459)
Basic and diluted net loss per share (note 7)	\$ (0.16)	\$ (0.01)
Weighted average number of common shares outstanding - basic and diluted	27,723,432	18,962,865

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

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Statements of Changes in Shareholders' Equity

(Expressed in Canadian Dollars)

	Share Capital		Warrants	Contributed Surplus	Accumulated Deficit	Total
	Number of Shares	Amount				
Balance, January 31, 2019	18,946,180	\$ 1,736,390	\$ 5,998	\$ 83,059	\$ (297,504)	\$ 1,527,943
Shares issued for mineral properties (note 8(i))	70,000	14,000	-	-	-	14,000
Expiration of warrants (note 5)	-	-	(5,998)	-	5,998	-
Share-based payments (note 6(i)(iii))	-	-	-	18,027	-	18,027
Net loss for the year	-	-	-	-	(283,459)	(283,459)
Balance, January 31, 2020	19,016,180	1,750,390	-	101,086	(574,965)	1,276,511
Private placement (note 4(b)(i))	6,000,000	2,646,000	-	-	-	2,646,000
Shares issued as finder fees (note 4(b)(i))	235,530	141,318	-	-	-	141,318
Share issue costs	-	(174,456)	-	-	-	(174,456)
Shares issue for mineral properties (note 8(ii)(iv)(v)(vi))	6,129,700	2,507,630	-	-	-	2,507,630
Exercise of options (note 4(b)(ii))	275,000	48,043	-	(20,543)	-	27,500
Share-based payments (note 6(ii))	-	-	-	80,883	-	80,883
Net loss for the year	-	-	-	-	(4,435,779)	(4,435,779)
Balance, January 31, 2021	31,656,410	\$ 6,918,925	\$ -	\$ 161,426	\$ (5,010,744)	\$ 2,069,607

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

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Statements of Cash Flows

(Expressed in Canadian Dollars)

	Year Ended January 31,	
	2021	2020
Operating activities		
Net loss for the year	\$ (4,435,779)	\$ (283,459)
Adjustment for:		
Depreciation	2,532	-
Share-based payments (note 6(ii))	80,883	18,027
Shares issued for mineral properties (note 8)	2,507,630	14,000
Changes in non-cash working capital items:		
HST receivable	(4,988)	(17,282)
Prepaid expenses	(14,845)	-
Accounts payable and accrued liabilities	23,576	11,752
Due to related parties	(2,114)	(28,209)
Net cash and cash equivalents used in operating activities	(1,843,105)	(285,171)
Investing activities		
Purchase of property and equipment (note 3)	(22,500)	-
Net cash used in investing activities	(22,500)	-
Financing activities		
Proceeds from private placement (note 4(b)(i))	2,646,000	-
Share issue costs	(33,138)	-
Exercise of options (note 4(b)(ii))	27,500	-
Net cash and cash equivalents provided by financing activities	2,640,362	-
Net increase (decrease) in cash and cash equivalents	774,757	(285,171)
Cash and cash equivalents, beginning of year	1,312,705	1,597,876
Cash and cash equivalents, end of year	\$ 2,087,462	\$ 1,312,705

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

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

1. Nature and continuance of operations

Angus Gold Inc. (formerly Angus Ventures Inc.) ("Angus" or the "Company") was incorporated under the Business Corporations Act (British Columbia) on September 28, 2010. Angus is a Canadian gold exploration company focused on the acquisition, exploration and development of mineral properties. The Company's principal current project is the Golden Sky Project located in Wawa, Ontario. The Company's common shares are listed for trading on the TSX Venture Exchange ("TSX-V") under the symbol "GUS"

On November 7, 2019, the Company completed the acquisition of 100% interest in the Slate Bay Property, Red Lake, Ontario, from Luxor Exploration Inc. ("Luxor") and Canstar Resources Inc. ("Canstar"). The acquisition of the Slate Bay Property constitutes the Company's Qualifying Transaction under the policies of the TSX-V.

On September 16, 2020, the Company changed its corporate name from Angus Ventures Inc. to Angus Gold Inc. There was no change to the Company's ticker symbol in connection with the name change.

The Company's head office, principal address and registered and records office is located at 18 King Street East, Suite 902, Toronto, Ontario, M5C 1C4.

These financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. Management believes the Company has sufficient working capital to maintain its activities for the upcoming fiscal year.

In March 2020, the World Health Organization declared coronavirus (COVID-19) a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The Company continues to actively monitor the impact of the COVID-19 pandemic, including the impact on economic activity and financial reporting. To date, our operations have remained stable as the pandemic continues to progress and evolve but it is difficult to predict the full extent and duration of resulting operational and economic impacts for the Company, which are expected to impact a number of reporting periods. This uncertainty impacts judgements made by the Company, including those relating to determining the recoverable values of the Company's non-current assets. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or ability to raise funds.

The financial statements of the Company were approved by the Board of Directors on May 28, 2021.

2. Significant accounting policies

The following is a summary of significant accounting policies used in the preparation of these financial statements.

Statement of compliance

These financial statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of presentation

These financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The financial statements are presented in Canadian dollars unless otherwise noted.

Significant estimates and assumptions

The preparation of financial statements in accordance with IFRS requires the Company to make estimates and assumptions concerning the future which include the fair value of warrants and stock options using the Black-Scholes option pricing model. 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.

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

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 applying to 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.

Financial instruments

IFRS 9 - Financial Instruments ("IFRS 9") includes finalized guidance on the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured either at amortized cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") based on the business model in which they are held and the characteristics of their contractual cash flows.

All financial assets not classified at amortized cost or FVOCI are measured at FVTPL. On initial recognition, the Company can irrevocably designate a financial asset at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated at FVTPL:

- It is held within a business model whose objective is to hold the financial asset to collect the contractual cash flows associated with the financial asset instead of selling the financial asset for a profit or loss;
- Its contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial liabilities are classified as either financial liabilities at FVTPL or at amortized cost. The Company determines the classification of its financial liabilities at initial recognition.

Financial liabilities are classified as measured at amortized cost unless they fall into one of the following categories: financial liabilities at FVTPL, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition, financial guarantee contracts, commitments to provide a loan at a below-market interest rate, or contingent consideration recognized by an acquirer in a business combination.

Financial liabilities are classified as FVTPL if they fall into one of the five exemptions detailed above.

Transaction costs associated with financial instruments, carried at FVTPL, are expensed as incurred, while transaction costs associated with all other financial instruments are included in the initial carrying amount of the asset or the liability.

All financial instruments are initially recognized at fair value on the statement of financial position. Subsequent measurement of financial instruments is based on their classification. Financial assets and liabilities classified at FVTPL are measured at fair value with changes in those fair values recognized in the statement of loss and comprehensive loss for the period. Financial assets classified at amortized cost and financial liabilities are measured at amortized cost using the effective interest method.

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

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Financial instruments (continued)

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due. The Company considers a financial asset to be in default when the borrower is unlikely to pay its credit obligations to the Company in full or when the financial asset is more than 90 days past due.

The carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

The following table summarizes the classification under IFRS 9 for each financial instrument:

Financial instruments	Classification
Cash and cash equivalents	FVTPL
Accounts payable and accrued liabilities	Amortized cost
Due to related parties	Amortized cost

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on 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 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, and short-term deposits with an original maturity of three months or less, which are readily convertible into a know amount of cash.

Property and equipment

Property and equipment are carried at cost, less accumulated depreciation and accumulated impairment losses.

The cost of an item of property and equipment consists of the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for its intended use and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Depreciation is recognized based on the cost of an item of property and equipment, less its estimated residual value, over its estimated useful life at the following rates:

Detail	Percentage	Method
Field equipment	30%	Straight-line

At each financial position reporting date the carrying amounts of the Company's assets are reviewed to determine whether there is any indication that those assets are impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any.

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Property and equipment (continued)

The recoverable amount is the higher of fair value less disposal costs and value in use. In assessing value in use, the estimated future cash flows are discounted at a rate that reflects current market assessments of the pre-tax time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in the statements of comprehensive loss.

Income taxes

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 country where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income (loss) or equity is recognized in other comprehensive income (loss) or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

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

The carrying amount of deferred income 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 income tax asset to be utilized.

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

Deferred income tax assets and deferred income 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.

Exploration and evaluation expenditures

The Company expenses exploration and evaluation expenditures as incurred. Exploration and evaluation expenditures include acquisition costs of mineral properties, property option payments and evaluation activities.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of commercial production, with the exception of development costs that give rise to a future benefit.

Exploration and evaluation expenditures are capitalized if the Company can demonstrate that these expenditures meet the criteria of an identifiable intangible asset. To date, no such exploration and evaluation expenditures have been identified and capitalized.

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

Restoration, rehabilitation and environmental obligations

A legal or constructive obligation to incur restoration, rehabilitation and environmental costs may arise when environmental disturbance is caused by the exploration, development or ongoing production of a mineral property interest. Such costs are discounted to their net present value and are provided for and capitalized at the start of each project to the carrying amount of the asset, as soon as the obligation to incur such costs arises. Discount rates using a pretax rate that reflects the time value of money are used to calculate the net present value. These costs are charged against profit or loss over the economic life of the related asset, through amortization using either a unit-of-production or the straight-line method as appropriate. The related liability is adjusted for each period for the unwinding of the discount rate and for changes to the current market-based discount rate, amount or timing of the underlying cash flows needed to settle the obligation.

Loss per share

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

Share capital

Common shares are classified as equity. Transaction costs directly attributable to the issue of common shares and share options are recognized as a deduction from equity, net of any tax effects.

Flow-through shares

The Company will from time to time, issue flow-through common shares to finance a significant portion of its exploration program. Pursuant to the terms of the flow-through share agreements, these shares transfer the tax deductibility of qualifying resource expenditures to investors. On issuance, the Company bifurcates the flow-through share into i) a flow-through share premium, equal to the estimated premium, if any, investors pay for the flow-through feature, which is recognized as a liability, and ii) share capital. Upon expenditures being incurred, the Company derecognizes the liability and recognizes a premium on flow-through shares to the statement of comprehensive loss.

Proceeds received from the issuance of flow-through shares are restricted to be used only for Canadian resources property exploration expenditures. The Company may also be subject to a Part XII.6 tax on flow-through proceeds renounced under the Look-back Rule, in accordance with Government of Canada flow-through regulations. When applicable, this tax is accrued as a financial expense until paid.

Share-based compensation

In connection with incentive stock options granted by the Company to its officers, directors, employees and consultants, an expense is recognized over the vesting period based on the estimated fair value of the options on the date of the grant as determined using an option pricing model. The expense is charged to share-based payments and the offset is credited to contributed surplus. Cash received on exercise of incentive stock options is credited to share capital along with any contributed surplus amounts previously recorded that are applicable to the options exercised.

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

2. Significant accounting policies (continued)

New accounting standard adopted

IFRS 3, Business Combinations ("IFRS 3")

Amendments to IFRS 3, issued in October 2018, provide clarification on the definition of a business. The amendments permit a simplified assessment to determine whether a transaction should be accounted for as a business combination or as an asset acquisition.

The amendments are effective for transactions for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after January 1, 2020. The adoption of the amendments had no impact on the Company's financial statements.

IAS 1, Presentation of Financial Statements ("IAS 1")

Amendments to IAS 1, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's financial statements.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8")

Amendments to IAS 8, issued in October 2018, provide clarification on the definition of material and how it should be applied. The amendments also align the definition of material across IFRS and other publications.

The amendments are effective for annual periods beginning on or after January 1, 2020 and are required to be applied prospectively. The adoption of the amendments had no impact on the Company's financial statements.

3. Property and equipment

<i>Cost</i>	Field equipment
Balance, January 31, 2019 and January 31, 2020	\$ -
Additions	22,500
Balance, January 31, 2021	\$ 22,500

<i>Accumulated depreciation</i>	Field equipment
Balance, January 31, 2019 and January 31, 2020	\$ -
Depreciation during the year	2,532
Balance, January 31, 2021	\$ 2,532

<i>Carrying value</i>	Field equipment
Balance, January 31, 2019 and January 31, 2020	\$ -
Balance, January 31, 2021	\$ 19,968

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

4. Share capital

a) Authorized share capital

At January 31, 2021, the authorized share capital consisted of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

b) Common shares issued

At January 31, 2021, the issued share capital amounted to \$6,918,925. The issued share capital for the years were as follows:

	Number of Common Shares	Amount
Balance, January 31, 2019	18,946,180	\$ 1,736,390
Shares issued for mineral properties (note 8)	70,000	14,000
Balance, January 31, 2020	19,016,180	1,750,390
Shares issued for mineral properties (note 8)	6,129,700	2,507,630
Private placement (i)	6,000,000	2,646,000
Share issued as finder fees (i)	235,530	141,318
Share issue costs	-	(174,456)
Exercise of options (ii)	275,000	48,043
Balance, January 31, 2021	31,656,410	\$ 6,918,925

(i) On July 3, 2020, the Company completed a non-brokered private placement of 6,000,000 flow-through common shares ("FT Common Shares") at a price of \$0.441 per FT Common Share for gross proceeds of \$2,646,000 (the "Financing").

The gross proceeds from the Financing will be used to fund Canadian Exploration Expenses (within the meaning of the Income Tax Act (Canada)) which shall qualify as "flow-through mining expenditures", for purposes of the Income Tax Act (Canada), related to the Company's projects.

In connection with the Financing, the Company issued an aggregate of 235,530 common shares valued at \$141,318 to Medalist Capital Ltd. for its assistance with the Financing.

(ii) On June 29, 2020, 275,000 stock options with an exercise price of \$0.10 were exercised for cash proceeds of \$27,500. Upon exercise of these stock options, \$20,543 was reclassified from contributed surplus to share capital.

5. Warrants

The following table summarizes warrants issued during the years presented:

	Number of Warrants	Fair Value
Balance, January 31, 2019	113,820	\$ 5,998
Expired	(113,820)	(5,998)
Balance, January 31, 2020 and January 31, 2021	-	\$ -

There are no warrants outstanding as of January 31, 2021.

Angus Gold Inc. (Formerly Angus Ventures Inc.)

Notes to Financial Statements

Years Ended January 31, 2021 and 2020

(Expressed in Canadian Dollars)

6. Stock options

The Company's stock option plan provides for the issuance of stock options to its officers, directors, employees and consultants. Stock options are non-transferable and the aggregate number of shares that may be reserved for issuance pursuant to stock options may not exceed 10% of the issued shares of the Company at the time of granting. The exercise price and vesting terms of stock options is determined by the Board of Directors of the Company at the time of grant.

The following table reflects the continuity of stock options for the years presented:

	Number of Stock Options	Weighted Average Exercise Price
Balance, January 31, 2019	1,128,000	\$ 0.10
Stock options granted (i)	120,000	0.28
Balance, January 31, 2020	1,248,000	0.12
Stock options granted (ii)	300,000	0.68
Stock options exercised (note 4(b)(ii))	(275,000)	0.10
Balance, January 31, 2021	1,273,000	\$ 0.25

(i) On November 6, 2019, the Company granted 120,000 stock options to an officer and a consultant, exercisable at a price of \$0.28 per share for a period of five years, vesting 100% on day of grant. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.20; expected dividend yield of 0%; risk-free interest rate of 1.53%; volatility of 100% and an expected life of 5 years. The fair value assigned to these options was \$16,824. For the year ended January 31, 2021, the impact on the statement of comprehensive loss was \$nil (year ended January 31, 2020 - \$16,824).

(ii) On November 23, 2020, the Company granted a total of 300,000 stock options to an employee, a director and a consultant of the Company at the exercise price of \$0.68 per share for a period of five years, vesting 1/3 on grant and 1/3 every twelve months thereafter. The fair value of these options was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions: share price of \$0.68; expected dividend yield of 0%; risk-free interest rate of 0.44%; volatility of 160% and an expected life of 5 years. The fair value assigned to these options was \$189,044. For the year ended January 31, 2021, the impact on the statement of comprehensive loss was \$80,883 (year ended January 31, 2020 - \$Nil).

(iii) The portion of the estimated fair value of options granted in the prior years and vested during the year ended January 31, 2021, amounted to \$nil (year ended January 31, 2020 - \$1,203).

The following table reflects the stock options issued and outstanding as of January 31, 2021:

Expiry Date	Exercise Price (\$)	Weighted Average Remaining Contractual Life (years)	Number of Options Outstanding	Number of Options Vested (Exercisable)	Number of Options Unvested
September 1, 2022	0.10	1.58	853,000	853,000	-
November 6, 2024	0.28	3.77	120,000	120,000	-
November 23, 2025	0.68	4.81	300,000	100,000	200,000
	0.25	2.55	1,273,000	1,073,000	200,000

7. Net loss per share

The calculation of basic and diluted loss per share for the year ended January 31, 2021 was based on the loss attributable to common shareholders of \$4,435,779 (year ended January 31, 2020 - \$283,459) and the weighted average number of common shares outstanding of 27,723,432 (year ended January 31, 2020 - 18,962,865). Diluted loss per share did not include the effect of stock options and warrants as they are anti-dilutive.

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8. Exploration and evaluation expenditures

	Year Ended January 31,	
	2021	2020
Slate Bay Property		
Annual taxes	\$ 3,998	\$ 852
Option payments and staking claims (i)	596	74,597
Technical report	-	24,259
	\$ 4,594	\$ 99,708
Golden Sky Project		
Advisory fees (ii)	\$ 140,000	\$ -
General field expenses	53,935	-
Geology	509,143	-
Geophysics	252,847	-
Option payment and staking claims (ii)(iii)(iv)(v)(vi)	3,185,621	23,800
Other	1,408	-
	\$ 4,142,954	\$ 23,800
Exploration and evaluation expenditures	\$ 4,147,548	\$ 123,508

(i) On April 25, 2019, the Company entered into a purchase agreement (the "Purchase Agreement") with Luxor and Canstar to acquire an aggregate 100% interest in the Slate Bay Property. On November 7, 2019, pursuant to the terms of the Purchase Agreement, the Company acquired from Luxor and Canstar, an aggregate 100% interest in the Slate Bay Property comprising eight patented mining claims in Ontario in consideration for: i) the payment to Luxor of \$30,000 (paid); ii) the payment to Canstar of \$30,000 (paid); and iii) the issuance to Canstar of 70,000 common shares of the Company (issued and valued \$14,000).

(ii) On December 11, 2019, the Company entered into an asset purchase agreement with Talisker Gold Corp. ("Talisker") to acquire a 100% interest in the Wawa Properties. The Company also entered into an assignment agreement with Talisker to acquire Talisker's options to earn into two additional claims blocks. In respect of these agreements (collectively, "the Transactions"), the Company paid a total of \$600,000 in cash and issued 4,000,000 common shares valued at \$1,400,000.

At closing, in a series of transactions, the Company acquired the following mineral property interests, collectively known as the Golden Sky Project:

- A 100% interest in the 141 mining claims comprising the Wawa Properties, located in the Mishibishu Greenstone Belt, Ontario. A portion of these claims are subject to a 1.5% net smelter return royalty ("NSR") that can be reduced to 1.0% in consideration for the sum of \$250,000 within twelve months of commercial production. The remainder of the claims are subject to a 2.0% NSR that can be reduced to 1.0% in consideration for the sum of \$1,000,000. This transaction was completed on March 4, 2020 and the Company paid a total of \$25,000 and issue a total of 400,000 common shares valued at \$140,000 to holders of the underlying NSR interests.
- The option to earn a 100% interest in 202 mining claims held by IAMGOLD Corporation, known as the Mishi Property, located in Ontario. To earn a 100% interest in the Mishi Property, the Company will be required to incur an aggregate of \$1,500,000 in exploration expenditures on the property before September 25, 2024.

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8. Exploration and evaluation expenditures (continued)

(ii) (continued)

- The option to earn a 100% interest in 188 mining claims held by Exiro Minerals Corp. ("Exiro"), located in Ontario. On February 5, 2020, the Company completed the Exiro earn-in option agreement and earned a 100% interest in 188 mining claims in consideration of a cash payment of \$20,000 and the issuance of 182,700 common shares valued at \$73,080. These claims are subject to a 2.0% NSR in favour of Exiro.

In connection with the Transactions, the Company also issued to an arm's-length party 400,000 common shares valued at \$140,000 as an advisory fee.

(iii) In January 2020, the Company staked 437 mineral claims located in Wawa, Ontario.

(iv) On May 22, 2020, the Company completed the acquisition of a 100% interest in the Ellen Creek Gold Property from an individual vendor (the "Vendor"), and a 100% interest in the River Gold Property from Metalcorp Limited ("Metalcorp").

The 100% interest in Ellen Creek Gold Property, which consists of 14 mining claims, was acquired by the Company in consideration for:

- A cash payment of \$1,000 (paid);
- The issuance to the Vendor of 22,000 common shares (issued and valued at \$14,300); and
- The grant to the Vendor of a 1.0% NSR on production from the Ellen Creek Gold Property, of which 50% can be purchased by the Company for \$500,000.

The 100% interest in the River Gold Property, consisting of 6 mining claims, was acquired by the Company in consideration for:

- A cash payment of \$20,000 (paid);
- The issuance to Metalcorp of 100,000 common shares (issued and valued at \$65,000); and
- The grant to Metalcorp of a 2.0% NSR on production from the River Gold Property, of which 50% can be purchased by the Company for \$1,000,000.

(v) On July 3, 2020, the Company acquired 17 claims located in the Mishibishu Greenstone Belt, Ontario by paying \$50,000 in cash and issuing 225,000 common shares valued at \$155,250. The vendor will maintain a 2% NSR on production from the claims, 50% of which can be purchased by the Company for \$500,000.

(vi) On November 13, 2020, the Company acquired 145 claims comprising the Macassa Creek, Mishi Lake and Abbie Lake Properties, from Argo Gold Inc. for \$100,000 in cash and the issue of 800,000 common shares valued at \$520,000. The claims making up the Macassa Creek are subject to a 2% NSR that can be reduced to 1.0% in consideration for the sum of \$1,000,000. The claims making up the Abbie Lake are subject to a 2% NSR that can be reduced to 1.0% in consideration for the sum of \$1,000,000.

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9. Financial instrument and risk management

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.

The fair value of the Company's accounts payables and accrued liabilities, and due to related parties approximate their carrying value. The Company's other financial instrument, being cash and cash equivalents, is measured at fair value using Level 1 inputs.

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board of Directors approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) 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 and cash equivalents held in bank accounts. The Company has deposited the cash and cash equivalents with a high credit quality financial institution as determined by rating agencies. The risk of loss is low.

(b) Liquidity risk:

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet liabilities when due. Accounts payable and accrued liabilities and due to related parties are due within the current operating period. The Company has a sufficient cash and cash equivalents balance to settle current liabilities.

(c) Market risk:

The Company is exposed to price risk with respect to equity prices and commodity prices. Equity price risk is defined as the potential adverse impact on the Company's loss due to movements in individual equity prices or general movements in the level of stock market. Commodity price risk is defined as the potential adverse impact and economic value due to commodity price movements and volatilities.

(d) 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 is exposed to interest rate risk, from time to time, on its cash balances. Surplus cash, if any, is placed on deposit with financial institutions and management actively negotiates favourable market related interest rates.

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10. Capital disclosure and management

The Company manages its capital with the following objectives:

- to ensure sufficient financial flexibility to achieve the ongoing business objectives including funding of future growth opportunities, and pursuit of accretive acquisitions; and
- to maximize shareholder return.

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, repurchasing outstanding shares, adjusting capital spending, or disposing of assets. The capital structure is reviewed by management and the Board of Directors on an ongoing basis. The Company's ability to continue to carry out its planned exploration activities is uncertain and dependent upon securing additional financing.

The Company considers its capital to be equity which at January 31, 2021, totaled \$2,069,607.

The Company manages capital through its financial and operational forecasting processes. The Company reviews its working capital and forecasts its future cash flows based on operating expenditures, and other investing and financing activities. The forecast is updated based on activities related to its mineral properties. The Company's capital management objectives, policies and processes have remained unchanged during the year ended January 31, 2021. The Company is not subject to any capital requirements imposed by a lending institution or regulatory body and Policy 2.5 of the TSX-V which requires adequate working capital or financial resources of the greater of (i) \$50,000 and (ii) an amount required in order to maintain operations and cover general and administrative expenses for a period of 6 months. As of January 31, 2021, the Company is compliant with Policy 2.5.

11. Major shareholders and related party disclosures

Major shareholders

To the knowledge of the directors and senior officers of the Company, as at January 31, 2021, no person or corporation beneficially owns or exercises control or direction over common shares of the Company carrying more than 10% of the voting rights attached to all common shares of the Company other than set out below:

	Number of Common Shares	Percentage of Outstanding Common Shares
David Palmer	5,000,000	15.79 %
Jamie Sokalsky	5,284,000	16.69 %
Patrick Langlois, former Chief Executive Officer and current director	3,110,000	9.82 %

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

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11. Major shareholders and related party disclosures (continued)

Related party disclosures

Related parties include the members of the Board of Directors, officers of the Company, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions.

(i) As of January 31, 2021, the Company has a balance owing to one of its former directors of \$nil (January 31, 2020 - \$2,848), for expenses paid on behalf of the Company. The amount due to the former director is non-interest bearing.

(ii) As of January 31, 2021, the Company has a balance owing to its former Chief Executive Officer of \$2,793 (January 31, 2020 - \$2,762), for expenses paid on behalf of the Company. The amount due to the former Chief Executive Officer is non-interest bearing.

(iii) During the year ended January 31, 2021, the Company expensed or accrued professional fees of \$82,879 (year ended January 31, 2020 - \$79,277) to Peterson McVicar LLP ("Peterson"). Dennis H. Peterson, a director of the Company, controls Peterson which provide legal services to the Company. As at January 31, 2021, Peterson was owed \$3,452 (January 31, 2020 - \$9,029) and this amount was included in due to related parties.

(iv) During the year ended January 31, 2021, the Company paid for compliance services and disbursements of \$27,983 (year ended January 31, 2020 - \$nil) to Marrelli Support Services Inc., DSA Corporate Services Inc., DSA Filing Services Limited, and Marrelli Press Release Services, collectively, the ("Marrelli Group").

The services provided by the Marrelli Group are;

- Bookkeeping services;
- Regulatory filing services;
- Press release services; and
- Corporate secretarial services.

Marie-Josée Audet, who was appointed Chief Financial Officer of Angus on July 9, 2020, is an employee of the Marrelli Group. These services are required by Angus to maintain its reporting issuer status and are made on terms equivalent to those that prevail with arm's length transactions. As at January 31, 2021, the Marrelli Group was owed \$6,280 (January 31, 2020 - \$nil) and this amount is included in due to related parties.

(v) In connection with the Financing, Mr. Jamie Sokalsky, and Mr. David Palmer, each an insider of the Company, have acquired 640,000 FT Common Shares each (refer to note 4(i)).

(vi) Remuneration of directors and key management of the Company was as follows:

	Year Ended January 31,	
	2021	2020
Share-based payments	\$ 53,922	\$ 17,330

The above related party transactions were in the normal course of operations and have been valued at fair value. The amounts owing to related parties are non-interest bearing, unsecured and due on demand.

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12. Income taxes

The reconciliation of the income tax provision computed at statutory rates to the reported income tax provision is as follows:

	Year Ended January 31,	
	2021	2020
	27.00%	27.00%
Loss before income taxes	\$ (4,435,779)	\$ (283,459)
Income tax recovery computed at statutory rates	(1,197,660)	(76,534)
Deductible and non-deductible amounts	1,133,412	38,214
Unrecognized benefit of deferred tax assets	64,248	38,320
Actual income tax recovery	\$ -	\$ -

There are no deferred tax assets/(liabilities) presented in the statement of financial position.

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognized are attributable to the following:

	2021	2020
Deferred income tax assets		
Non-capital loss carryforward pools	\$ 609,000	\$ 387,000
Exploration and evaluation costs	3,541,000	124,000
Share issuance costs	37,000	21,000
Property and equipment	3,000	-
Unrecognized deductible temporary differences	\$ 4,190,000	\$ 532,000

This potential future tax benefit has been offset entirely by a valuation allowance and has not been recognized in these financial statements. The non-capital loss carry-forwards expire according to the following schedule:

	2021
2031	\$ 2,000
2032	1,000
2033	1,000
2034	1,000
2035	1,000
2036	1,000
2037	7,000
2038	115,000
2039	106,000
2040	152,000
2041	222,000
	\$ 609,000

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13. Commitments

Pursuant to the terms of flow-through share agreement, the Company is in the process of complying with its flow-through contractual obligations to subscribers with respect to the Income Tax Act (Canada) requirements for flow-through shares. As of January 31, 2021, the Company is committed to incurring approximately \$1,900,000 in Canadian Exploration Expenditures (as such term is defined in the Income Tax Act (Canada)) by December 31, 2022 arising from the flow-through offerings.

The commitment to complete these expenditures by the dates noted above is based on a proposed change by the Government of Canada, which would extend the deadline to complete the necessary spending requirements from the issuance of flow-through shares raised in 2020 by one year.

14. Subsequent events

(i) On March 18, 2021, the Company completed a non-brokered private placement of 2,800,000 flow-through shares of the Company at a price of \$1.00 per flow-through share and 700,000 common shares of the Company at a price of \$0.71 per common share for total gross proceeds of \$3,297,000. Each flow-through share consists of one common share in the capital of the Company.

The gross proceeds from the financing will be used to fund exploration on the Company's projects in Ontario and for working capital purposes. The gross proceeds received by the Company from the sale of flow-through shares will be used to incur Canadian Exploration Expenses (within the meaning of the Income Tax Act (Canada)) which shall qualify as "flow-through mining expenditures", for purposes of the Income Tax Act (Canada), related to the Company's projects.

All securities issued in connection with the financing are subject to the statutory four months and a day hold period.

(ii) On April 5, 2021, the Company commenced trading on the OTCQB Venture Market operated by OTC Markets Group in the United States under the ticker symbol "ANGVF".

(iii) On April 7, 2021, Andrey Shamis resigned as Chief Executive Officer and director of the Company and the Company appointed Steve Burleton as the new interim Chief Executive Officer of the Company. Also, the Company granted a total of 200,000 stock options to Steve Burleton at the exercise price of \$0.80 per share for a period of five years, vesting as to 1/3 on grant and 1/3 at each anniversary date in the two year period.