



**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**

**FOR THE SIX MONTHS ENDED
APRIL 30, 2022 and 2021**

(Expressed in Canadian Dollars, unless otherwise stated)

**Notice of No Auditor Review of
Condensed Consolidated Interim Financial Statements**

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

The accompanying unaudited condensed consolidated interim financial statements of the Company have been prepared by and are the responsibility of the Company's management.

BLACKWOLF COPPER AND GOLD LTD

Condensed Consolidated Statements of Financial Position

(Unaudited - Expressed in Canadian Dollars)

		APRIL 30 2022	October 31 2021
ASSETS			
Current assets			
Cash and cash equivalents		\$ 554,055	\$ 389,986
Amounts receivable and prepaid expenses	3	522,006	517,225
Total current assets		1,076,061	907,211
Equipment	4	756,695	589,937
Restricted cash		942,025	911,979
Exploration and evaluation assets	5	1	1
Total Assets		\$ 2,774,782	\$ 2,409,128
LIABILITIES			
Current Liabilities			
Trade and other payables		882,617	\$ 890,785
Payables to related parties	6	56,926	27,968
Total current liabilities		939,543	918,753
Provision for rehabilitation obligation		1,622,425	1,570,678
Total liabilities		2,561,968	2,489,431
EQUITY/(DEFICIENCY)			
Share capital	7(a,b)	84,231,834	81,465,101
Reserves		6,523,114	6,339,673
Accumulated deficit		(90,539,163)	(87,896,569)
Accumulated other comprehensive income/(loss)		(2,971)	11,492
Total Equity/(Deficiency)		212,814	(80,303)
Total Equity and Liabilities		\$ 2,774,782	\$ 2,409,128

Continuance of operations and going concern (Note 1)

Subsequent Events (Note 9)

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

The consolidated financial statements are signed on the Company's behalf by:

/s/ Jessica Van Den Akker

/s/ Donald Birak

Jessica Van Den Akker
Director

Donald Birak
Director

BLACKWOLF COPPER AND GOLD LTD

Condensed Consolidated Statements of Loss and Comprehensive Loss

(Unaudited - Expressed in Canadian Dollars)

	Notes	Three months ended April 30,		Six months ended April 30,	
		2022	2021	2022	2021
Expenses					
Exploration and evaluation expenses	5	\$ 735,675	\$ 2,276,342	1,415,395	\$ 4,103,528
Management fees, director fees, wages and benefits	6	255,744	230,082	550,677	451,276
Office and other		106,195	76,428	181,333	143,388
Professional services		32,659	43,474	124,849	133,217
Regulatory		15,280	14,838	27,912	21,038
Marketing and investor relations		23,998	107,924	147,377	155,762
Travel		23,556	-	29,506	-
Share-based compensation	7 (e)	103,955	108,913	167,209	338,155
		1,297,063	2,858,001	2,644,258	5,346,364
Other income/expenses					
Foreign exchange loss (gain)		(837)	(16,020)	3,344	(4,132)
Finance income		(3,290)	(3,820)	(5,008)	(12,301)
Net Loss		1,292,936	2,838,160	2,642,594	5,329,931
Other comprehensive loss/(income)					
Foreign currency translation adjustment		(144)	(9,943)	14,463	(51,724)
Comprehensive loss		\$ 1,292,792	\$ 2,828,217	\$ 2,657,057	\$ 5,278,207
Basic and diluted loss per common share		\$ 0.04	\$ 0.12	\$ 0.08	\$ 0.23
Weighted average number of common shares outstanding		33,138,678	23,339,097	32,370,716	22,776,972

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

BLACKWOLF COPPER AND GOLD LTD
Condensed Consolidated Statements of Cash Flows
(Unaudited - Expressed in Canadian Dollars)

	Six months ended April 30,	
	2022	2021
Operating activities		
Loss for the period	\$ (2,642,594)	\$ (5,329,931)
<u>Non-cash or non operating items:</u>		
Depreciation	46,242	7,470
Share-based compensation	167,209	338,155
<u>Changes in non-cash working capital items:</u>		
Amounts receivable and prepaid expenses	4,781	(395,679)
Trade and other payables	(220,486)	(81,111)
Payables to related parties	28,958	(33,324)
Net cash from/(used) operating activities	(2,615,890)	(5,494,420)
Investing activities		
Purchase of equipment	(3,006)	(297,724)
Net cash from/(used) investing activities	(3,006)	(297,724)
Financing activities		
Proceeds from private placements	2,852,251	5,398,000
Share issue costs	(69,286)	(135,020)
Net cash from financing activities	2,782,965	5,262,980
Net decrease in cash and cash equivalents	164,069	(529,164)
Cash and cash equivalents - beginning balance	389,986	4,725,262
Cash and cash equivalents - ending balance	\$ 554,055	\$ 4,196,098

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

BLACKWOLF COPPER AND GOLD LTD

Condensed Consolidated Statements of Changes in Equity (Deficiency)

(Unaudited - Expressed in Canadian Dollars except for share information)

	Share capital		Equity settled share-based payments reserve	Accumulated deficit	Accumulated other comprehensive income/(loss)	Total equity (deficiency)
	Number of common shares	Amount				
Balance at November 1, 2020	22,214,847	\$ 76,089,046	\$ 5,762,968	\$ (78,772,368)	\$ -	\$ 3,079,646
Shares issued pursuant to private placement	6,747,500	\$ 5,398,000				5,398,000
Share issuance costs		(174,877)	39,857			(135,020)
Share based compensation	-	-	338,155	-	-	338,155
Net loss	-	-	-	(5,329,931)	-	(5,329,931)
Loss and comprehensive loss	-	-	-	-	51,724	51,724
Balance at April 30, 2021	28,962,347	\$ 81,312,169	\$ 6,140,980	\$ (84,102,299)	\$ 51,724	\$ 3,402,574
Balance at November 1, 2021	29,074,034	\$ 81,465,101	\$ 6,339,673	\$ (87,896,569)	\$ 11,492	\$ (80,303)
Shares issued pursuant to private placement	4,074,644	\$ 2,852,251	-	-	-	2,852,251
Share issuance costs		(85,518)	16,232	-	-	(69,286)
Share based compensation	-	-	167,209	-	-	167,209
Net loss	-	-	-	(2,642,594)	-	(2,642,594)
Other comprehensive income	-	-	-	-	(14,463)	(14,463)
Balance at April 30, 2022	33,148,678	\$ 84,231,834	\$ 6,523,114	\$ (90,539,163)	\$ (2,971)	\$ 212,814

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

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

1. NATURE AND CONTINUANCE OF OPERATIONS

Blackwolf Copper and Gold Ltd. (the "Company" or "Blackwolf") was incorporated under the laws of the Province of Alberta, Canada on November 6, 2007 and continued under the laws of the Province of British Columbia, Canada on November 16, 2009. On April 20, 2021, the Company changed its name from Heatherdale Resources Ltd to Blackwolf Copper and Gold Ltd. The Company's corporate office is located at Suite 3123 – 595 Burrard Street, Vancouver, British Columbia. The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol "BWCG".

The Company's principal mineral property interests are its 100% owned Niblack copper-gold-zinc-silver project in southeast Alaska (the "Niblack Project") and claims staked near Hyder, Alaska (the "Hyder Properties"). The Company is in the process of exploring its properties and has yet to determine if the properties contain economically recoverable mineral reserves. The Company's continuing operations and the underlying value of the properties are dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the properties, obtaining the necessary permits to mine, future profitable production from any mine, and proceeds from the disposition of a property. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

As of April 30, 2022, the Company has no source of operating revenue and has accumulated significant losses since inception. The Company is continually seeking opportunities for additional funding and expects to raise funds from equity-based sources on terms which are acceptable to it to carry out planned operations for 2022. However, there can be no assurance that the Company will obtain such financial resources or achieve positive cash flows in the future.

These consolidated financial statements do not include any adjustments to the amounts and classification of assets and liabilities that may be necessary should the Company be unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of Compliance

These Financial Statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretations committee ("IFRIC"s). Accordingly, they do not include all of the information and footnotes required by International Financial Reporting Standards ("IFRS") for complete annual financial statements and should be read in conjunction with the Company's consolidated financial statements, as at and for the year ended October 31, 2021, which were filed under the Company's profile on SEDAR at www.sedar.com. Results for the reporting period are not necessarily indicative of future results.

Accounting policies applied herein are the same as those applied in the Company's annual financial statements.

These condensed consolidated interim financial statements were approved by the Board of Directors on June 29, 2022.

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

(b) Significant Accounting Estimates and Judgments

The critical judgments and estimates applied in the preparation of these Financial Statements are consistent with those applied in the Company's consolidated financial statements, as at and for the year ended October 31, 2021.

3. AMOUNTS RECEIVABLE AND OTHER PREPAID EXPENSES

	April 30	October 31
	2022	2021
Sales tax receivable	\$ 62,844	\$ 44,630
Prepaid expenses	63,403	124,678
Deposits	329,124	318,626
Other receivables	66,635	29,291
	\$ 522,006	\$ 517,225

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

4. EQUIPMENT

	Office equipment	Field equipment	Total
Cost			
Balance, October 31, 2020	\$ 2,253	\$ 373,657	\$ 375,910
Acquisitions during the period	37,106	585,238	622,344
Translation adjustment	-	(29,382)	(29,382)
Balance, October 31, 2021	39,359	929,513	968,872
Acquisitions for the period	3,006	190,050	193,056
Translation adjustment	-	32,453	32,453
Balance, April 30, 2022	\$ 42,365	\$ 1,152,016	\$ 1,194,381
Accumulated depreciation			
Balance, October 31, 2020	\$ -	\$ 309,250	\$ 309,250
Depreciation for the year	11,799	80,826	92,625
Translation adjustment	-	(22,940)	(22,940)
Balance, October 31, 2021	11,799	367,136	378,935
Depreciation for the period	4,721	41,521	46,242
Translation adjustment	-	12,509	12,509
Balance, April 30, 2022	\$ 16,520	\$ 421,166	\$ 437,686
Carrying amounts			
As at October 31, 2021	\$ 27,560	\$ 562,277	\$ 589,937
As at April 30, 2022	\$ 25,845	\$ 730,850	\$ 756,695

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

5. EXPLORATION AND EVALUATION OF ASSETS

Details of the exploration and evaluation expenses that have been incurred are as follows:

For the Three Months ended April 30, 2022	Niblack Project	Hyder Properties	Total
Project and support contract services	\$ 202,021	\$ 9,652	\$ 211,673
Camp and site support	175,916	3,337	179,253
Depreciation	20,768	-	20,768
Fuel	36,286	-	36,286
Underground support supplies	30,911	-	30,911
Drilling	9,883	-	9,883
Geology	29,755	10,147	39,902
Transport	47,190	150	47,340
Field travel	72,585	-	72,585
Environmental and permitting	87,074	-	87,074
Total	\$712,389	\$ 23,286	\$ 735,675

For the Six Months ended April 30, 2022	Niblack Project	Hyder Properties	Total
Claims maintenance	\$ 5,742	\$ -	\$ 5,742
Project and support contract services	445,938	15,431	461,369
Camp and site support	325,765	3,337	329,102
Depreciation	41,521	-	41,521
Fuel	60,728	-	60,728
Underground support supplies	64,842	-	64,842
Drilling	35,016	-	35,016
Geology	78,417	14,686	93,103
Transport	79,257	150	79,407
Field travel	131,227	-	131,227
Environmental and permitting	111,235	2,103	113,338
Total	\$1,379,688	\$ 35,707	\$ 1,415,395

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

Exploration Expenditures 2021 - Niblack Project	Three Months Ended April 30, 2021	Six Months Ended April 30, 2021
Claims maintenance	\$ -	\$ 5,835
Project and support contract services	872,331	1,550,215
Site support	197,394	401,808
Depreciation	1,534	5,269
Fuel	76,351	77,498
Underground support supplies	157,792	369,438
Drilling	641,173	1,156,687
Geology	42,119	108,912
Transport	144,807	226,997
Field travel	71,220	124,548
Metallurgy	30,705	30,705
Environmental	37,795	42,495
Baseline	3,121	3,121
Total	\$ 2,276,342	\$ 4,103,528

1. The Niblack Project, 100% owned by the Company, consists of the 6,200-acre Niblack property, located on Prince of Wales Island, some 27 miles from Ketchikan, Alaska and includes certain site plant and equipment assets.

The Company will be required to make a one-time payment of Cdn\$1,250,000 to an arm's length third party upon the earliest to occur of the commencement of commercial production, the Company holding less than 35% interest in the Niblack Project, or a change in control of Blackwolf in certain circumstances.

2. The Hyder properties, were acquired through staking in May and June 2021 and are 100% owned, consisting of three properties Texas Creek, Cantoo and Casey properties the "Hyder Properties". The Hyder Properties consist of 474 claims overing over 3,863 hectares located in the Southeast Alaska. For the three and six months ended April 30, 2021 there were no expenditures on the Hyder properties.

6. RELATED PARTY BALANCES AND TRANSACTIONS

(a) *Related Party Transactions*

During the six months ended April 30, 2022, the Company paid or accrued \$46,082 (2021 - \$78,257) for office space to a private company controlled by a common director.

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

(b) Key Management Compensation

Key management are those personnel having the authority and responsibility for planning, directing and controlling the Company and include the President & Chief Executive Officer, Chief Financial Officer, and appointed officers of the Company and Directors. For the six months April 30, 2022, total key management compensation was \$531,308 (2021 - \$635,125) which includes management fees and salaries of \$403,000 (2021 - \$363,250) and share based compensation of \$128,309 (2021- \$271,875).

7. SHARE CAPITAL AND RESERVES

(a) Authorized Share Capital

At April 30, 2022 the authorized share capital consisted of an unlimited (October 31, 2021 – unlimited) number of common shares without par value and an unlimited (October 31, 2021 – unlimited) number of preferred shares with no par value. At April 30, 2022 and October 31, 2021, only common shares were issued and outstanding. All issued shares are fully paid.

(b) Share Issuances

For the six months ended April 30, 2022

In December 2021, the Company issued 4,074,644 units (the “Units”) by private placement at a price of \$0.70 per Unit, for aggregate gross proceeds of \$2,852,251. Each Unit consisted of one common share of the Company and one-half of one transferable common share purchase warrant, with each whole warrant entitling the holder to acquire one common share at a price of \$0.85 per common share until June 9, 2023. The Company paid finder’s fees of \$54,312 and issued 77,588 finder warrants. Each finder warrant is exercisable to acquire one common in the capital of the Company at an exercise price of \$0.70 per common share until June 9, 2023. The finder warrants have been recorded at a fair value of \$16,232. The fair value of the finder warrants was determined using the Black-Scholes option pricing model using the following assumptions: risk free rate interest rate of 0.90%, expected life of 1.5 years, expected volatility rate of 75.00% and a dividend rate of 0.00%. The Company paid or accrued \$14,974 in fees related to the share issuance.

For the year ended October 31, 2021

In April 2021, the Company issued 6,747,500 common shares by private placement at a price of \$0.80 per common share, for aggregate gross proceeds of \$5,398,000. The Company paid finder’s fees of \$107,280 and issued 134,100 share purchase warrants. Each share purchase warrant is exercisable to acquire one common in the capital of the Company at an exercise price of \$0.90 per common share until April 15, 2022. The share purchase warrants have been recorded at a fair value of \$39,857. The fair value of the share purchase warrants was determined using the Black-Scholes option pricing model using the following assumptions: risk free rate interest rate of 0.33%, expected life of 1.0 years, expected volatility rate of 75.00% and a dividend rate of 0.00%. The Company paid or accrued \$27,740 in fees related to the share issuance.

During the year ended October 31, 2021, the Company issued 12,500 common shares pursuant to the exercise of stock options for proceeds of \$12,500 and 99,187 common shares pursuant to the exercise of warrants for proceeds of \$89,268.

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

(c) Omnibus Share Incentive Plan

In June 2022, the Company's shareholders approved an amended omnibus share incentive plan (the "Share Incentive Plan") subject to final approval by the TSX-V, providing for the grant of stock options, restricted share units, performance share unit and deferred share units (together the "Awards"). The Share Incentive Plan replaces the Company's original omnibus share incentive plan.

The Share Incentive Plan provides that the Board of Directors of the Company may from time to time, in their discretion, and in accordance with TSX-V requirements, grant to its directors, officers, employees and consultants to the Company, non-transferable Awards to purchase common shares, provided that the number of common shares reserved for issue does not exceed 10% of the number of then outstanding common shares.

A summary of stock option transactions are summarized as follows:

	Number of options outstanding	Weighted average exercise price
Balance October 31, 2020	1,760,000	\$0.98
Granted	320,000	\$1.02
Exercised	(12,500)	\$1.00
Cancelled	(122,500)	\$0.99
Forfeited/Expired	(157,500)	\$0.98
Balance October 31, 2021	1,787,500	\$0.99
Granted	1,245,000	\$0.70
Forfeited/Expired	(220,000)	\$0.98
Balance April 30, 2022	2,812,500	\$0.86

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

As of April 30, 2022, the following stocks options were outstanding:

Expiry Date	Number of options outstanding	Number of options exercisable	Exercise price
June 16, 2025	100,000	87,500	\$0.80
June 30, 2025	30,000	27,500	\$0.85
September 9, 2025	1,347,500	697,500	\$1.00
April 20, 2026	100,000	80,000	\$1.00
May 12, 2026	10,000	2,500	\$1.24
February 1, 2027	150,000	-	\$0.70
April 4, 2027	1,075,000	-	\$0.70
	2,812,500	895,000	

(d) Warrants

A summary of warrant transactions are summarized as follows:

	Number of warrants outstanding	Weighted average exercise price
Balance October 31, 2020	310,575	\$0.90
Granted	134,100	\$0.90
Exercised	(99,187)	\$0.90
Expired	(211,388)	\$0.90
Balance October 31, 2021	134,100	\$0.90
Granted	2,114,905	\$0.84
Expired	(134,100)	\$0.90
Balance April 30, 2022	2,114,905	\$0.85

As of April 30, 2022, the following warrants were outstanding:

Expiry Date	Number of options outstanding	Exercise price
June 9, 2023	77,588	\$0.70
June 9, 2023	2,037,317	\$0.85
	2,114,905	

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

(e) *Share Based Compensation Expense*

During the six months ended April 30, 2022, a total of 1,245,000 stock options (2021 – 260,000) at a weighted-average exercise price of \$0.70 (2021 – \$1.00) were granted to an officers, consultants, and employees exercisable for a period of five years with various vesting terms over a three-year period. The weighted-average fair value attributable to options granted in 2022 was \$0.36 (2021 – \$0.58).

The following weighted-average assumptions were used in the Black-Scholes valuation of stock options granted during the period:

	2022	2021
Risk free interest rate	2.34%	0.33%
Expected life of Option	5 years	5 years
Annualized volatility	75.00%	75.00%
Dividend rate	0.00	0.00
Forfeiture rate	0.00	0.00

The Company recognized a share-based compensation expense of \$167,209 for the six months ended April 30, 2022 (2021 – \$338,155). As of April 30, 2022, there were 1917,500 non-vested options outstanding with a weighted average exercise price of \$0.81. The non-vested stock expense not yet recognized was \$515,245. This expense is expected to be recognized over the next three years.

8. FINANCIAL RISK MANAGEMENT

The Company has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. During the period ended April 30, 2022, there were no changes in the Company's objectives, policies, and processes for measuring and managing risk, and the Company's management of capital.

Fair Value

The fair value of the Company's financial assets and liabilities approximate their carrying values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. 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 hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. Fair value measurements, which are determined by using valuation techniques, are classified in their entirety as either Level 2 or Level 3 based on the lowest level input that is significant to the measurement.

Blackwolf Copper and Gold Ltd.

Notes to the Condensed Interim Consolidated Financial Statements

For the six months ended April 30, 2022 and 2021

(Expressed in Canadian dollars, unless stated otherwise)

9. SUBSEQUENT EVENTS

- a) In June 2022, the Company announced a non-brokered private placement of units (the “Units”) of the Company at a price of \$0.45 per Unit for gross proceeds of up to \$2.5 million (the “Offering”). Each Unit will be comprised of one common share of the Company and one common share purchase warrant. Each warrant shall be exercisable to acquire one Common Share (a “Warrant Share”) at a price of \$0.60 per Warrant Share for a period of 24 months from the closing of the Offering.

The Company will pay to certain finders a cash fee equal to 6% of the gross proceeds from the sale of Units to subscribers introduced by a particular finder (the “Found Units”) and will issue finder warrants equal to 7% of the Found Units sold pursuant to the Offering (“the Finder Warrants”). The Finder Warrants shall be exercisable to acquire one Common Share (a “Finder Share”) at a price of \$0.45 per Finder Share for a period of 12 months from the closing of the Offering.