

Affinity Metals Corp.
Condensed Interim Financial Statements
Three Month Period Ended September 30, 2021
(Unaudited – prepared by Management)
(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 condensed 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 Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

Affinity Metals Corp.
Condensed Interim Statements of Financial Position
As at September 30, 2021 and June 30, 2021
(Unaudited – prepared by Management)
(Expressed in Canadian Dollars)

	Note	September 30, 2021	June 30, 2021
ASSETS			
Current assets			
Cash and cash equivalents		\$ 67,410	\$ 97,646
Marketable securities	3	158,495	195,554
GST receivables		4,761	109,620
Prepaid expenses		57,393	57,393
		288,059	460,213
Non-current assets			
Exploration and evaluation assets	4	2,054,633	2,050,096
TOTAL ASSETS		\$ 2,342,692	\$ 2,510,309
LIABILITIES			
Current Liabilities			
Trade payables and accrued liabilities	5, 9	\$ 112,250	\$ 109,580
TOTAL LIABILITIES		112,250	109,580
SHAREHOLDERS' EQUITY			
Share capital	7	19,758,460	19,758,460
Reserves	3, 8	3,656,790	3,693,849
Deficit		(21,184,808)	(21,051,580)
TOTAL SHAREHOLDERS' EQUITY		2,230,442	2,400,729
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 2,342,692	\$ 2,510,309

NATURE AND CONTINUANCE OF OPERATIONS (Note 1)
SUBSEQUENT EVENT (Note 11)

Approved on Behalf of the Board:

/s/ "Robert Edwards"

Robert Edwards, Director

/s/ "Sean Pownall"

Sean Pownall, Director

Affinity Metals Corp.
Condensed Interim Statements of Loss and Comprehensive Loss
For the Period Ended September 30, 2021 and 2020
(Unaudited – prepared by Management)
(Expressed in Canadian Dollars)

	Note	Three Months Ended	
		September 30, 2021	September 30, 2020
Expenses			
Business development and property investigation		\$ 40,747	\$ 117,349
Consulting fees	9	90,000	90,000
Office and miscellaneous		1,222	3,787
Professional fees		354	9,430
Transfer agent and filing fees		905	3,733
		(133,228)	(224,299)
Net loss		(133,228)	(224,299)
Other comprehensive income (loss)			
Unrealized gain (loss) on short-term investments	3	(37,059)	(16,000)
Total comprehensive loss		\$ (170,287)	\$ (240,299)
Weighted average number of outstanding shares		47,032,101	31,156,993
Loss per share - basic and diluted		\$ (0.00)	\$ (0.00)

Affinity Metals Corp.
Condensed Interim Statements of Changes in Equity
For the Periods Ended September 30, 2021 and 2020
(Unaudited – prepared by Management)
(Expressed in Canadian Dollars)

	Note	Share Capital		Reserves			Deficit	Total
		Number of shares	Amount	Stock option reserve	Warrant reserve	Investment revaluation reserve		
Balance at June 30, 2020		36,504,735	\$ 18,658,856	\$ 1,265,055	\$ 743,806	\$ 196,000	\$ (19,388,296)	\$1,475,421
Net loss for the period		-	-	-	-	-	(224,299)	(224,299)
Shares issued in private placement	7	9,377,366	2,223,133	-	-	-	-	2,223,133
Valuation of warrants issued	8	-	(348,714)	-	348,714	-	-	-
Share issuance costs	7	-	(57,008)	-	-	-	-	(57,008)
Unrealized gain on marketable securities	3	-	-	-	-	(16,000)	-	(16,000)
Balance at September 30, 2020		45,882,101	\$ 20,476,267	\$ 1,265,055	\$ 1,092,520	\$ 180,000	\$ (19,612,595)	\$3,401,247
Balance at June 30, 2021		47,032,101	\$ 19,758,460	\$ 1,557,858	\$ 1,992,437	\$ 143,554	\$ (21,051,580)	\$2,400,729
Net loss for the period		-	-	-	-	-	(133,228)	(133,228)
Shares issued in private placement	7	-	-	-	-	-	-	-
Valuation of warrants issued	8	-	-	-	-	-	-	-
Share issuance costs	7	-	-	-	-	-	-	-
Unrealized loss on marketable securities	3	-	-	-	-	(37,059)	-	(37,059)
Balance at September 30, 2021		47,032,101	\$ 19,758,460	\$ 1,557,858	\$ 1,992,437	\$ 106,495	\$ (21,184,808)	\$2,230,442

Affinity Metals Corp.
Condensed Interim Statements of Cash Flows
For the Periods Ended September 30, 2021 and 2020
(Unaudited – prepared by Management)
(Expressed in Canadian Dollars)

	Three Months Ended	
	September 30, 2021	September 30, 2020
Operating activities		
Net loss	\$ (133,228)	\$ (224,299)
Changes in non-cash working capital items:		
GST receivables	104,859	(69,661)
Prepaid expenses and deposits	-	(87,142)
Payables	2,670	318,413
Net cash flows used in operating activities	(25,699)	(62,689)
Investing activities		
Exploration and Evaluation asset expenditures	(4,537)	(1,175,930)
Mining exploration tax credit received	-	-
Net cash flows used in investing activities	(4,537)	(1,175,930)
Financing activities		
Proceeds from sale of shares	-	2,223,133
Share issuance costs	-	(57,008)
Net cash flows from financing activities	-	2,166,125
Increase (decrease) in cash and cash equivalents	(30,236)	927,506
Cash and cash equivalents, beginning	97,646	256,349
Cash and cash equivalents, ending	\$ 67,410	\$ 1,183,855

Affinity Metals Corp.
Condensed Interim Notes to the Financial Statements
For the Periods Ended September 30, 2021
(Unaudited – prepared by Management)
(Expressed in Canadian Dollars)

1. Nature and continuance of operations

Affinity Metals Corp. (the “Company”) was incorporated on July 10, 1978, under the laws of the province of British Columbia, Canada, and its principal activity is the acquisition and exploration of mineral properties in Canada. The Company’s shares are listed on the TSX Venture Exchange (“TSX-V”) under the symbol “AFF.V”.

The head office, principal address and records office and registered office of the Company are located at 600- 890 West Pender Street, Vancouver, British Columbia, Canada, V6C 1J9.

These financial statements have been prepared on the assumption that the Company will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company is not expected to continue operations for the foreseeable future. As at September 30, 2021, the Company had not advanced its exploration and evaluation assets to commercial production and is not able to finance day to day activities through operations. The Company’s continuation as a going concern is dependent upon the successful results from its exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. These conditions raise significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with cash on hand, loans from directors and companies controlled by directors and or private placement of common shares.

In March 2020, the World Health Organization declared coronavirus, specifically identified as “COVID-19” a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. 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 ability to raise capital or conduct development activities.

2. Significant accounting policies and basis of presentation

The financial statements were authorized for issue on November 29, 2021 by the directors of the Company.

Statement of compliance

The condensed interim financial statements of the Company 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 Interpretations Committee (“IFRIC”). These condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting (“IAS 34”).

These interim unaudited condensed financial statements do not include all of the information required for full annual financial statements 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 unaudited condensed interim financial report be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021. The effects of the adoption of new and amended IFRS pronouncements have been disclosed in Note 3 of the most recent annual audited statements.

The accounting policies and methods of application applied by the Company in these condensed interim financial statements are the same as those applied in the Company’s most recent annual financial statements for the year ended June 30, 2021.

Affinity Metals Corp.
Condensed Interim Notes to the Financial Statements
For the Periods Ended September 30, 2021
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2. Significant accounting policies and basis of presentation (continued)

Basis of presentation

The 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.

3. Investment in Marketable securities

As at September 30, 2021, the Company holds 800,000 (2021 – 800,000) common shares of American Creek Resources Ltd. (“American Creek Shares”) carried at fair value of \$92,000 (2021: \$172,000) and 90,592 (2021 – 90,592) common shares of Stinger Resources Inc. carried at fair value of \$14,495 (2021 – \$23,554). The total unrealized loss on marketable securities for the period ended September 30, 2021 is \$37,059 (2021 – 52,446) which is recorded in other comprehensive loss.

4. Exploration and evaluation assets

	Balance September 30, 2021	Current Expenditures (Impairment)	Balance June 30, 2021	2020 Expenditures	Balance June 30, 2020
Nor Property, Yukon					
Property acquisition costs	\$ 422,080	\$ -	\$ 422,080	\$ -	\$ 422,080
Impairment	(422,080)	-	(422,080)	(299,405)	(122,675)
	-	-	-	(299,405)	299,405
Exploration and evaluation costs					
Accommodation and meals	342,891	-	342,891	-	342,891
Assay and soil sampling	68,787	-	68,787	-	68,787
Diamond drilling	850,848	-	850,848	-	850,848
Drafting	15,234	-	15,234	-	15,234
Fuel	368,699	-	368,699	-	368,699
Geologist	526,111	-	526,111	-	526,111
Geophysics	281,283	-	281,283	-	281,283
Helicopter	1,516,526	-	1,516,526	-	1,516,526
Housing	28,900	-	28,900	-	28,900
Licenses	33,299	-	33,299	-	33,299
Line cutting	109,794	-	109,794	-	109,794
Supervision	94,305	-	94,305	-	94,305
Supplies and miscellaneous	148,613	-	148,613	-	148,613
Support wages	337,260	-	337,260	-	337,260
Surveys	86,568	-	86,568	-	86,568
Travel and transport	119,611	-	119,611	-	119,611
Mineral exploration tax credits	(595,129)	-	(595,129)	-	(595,129)
Impairment	(4,333,600)	-	(4,333,600)	(68,940)	(4,264,660)
	-	-	-	(68,940)	68,940
Total Nor Property, Yukon	-	-	-	(368,345)	368,345

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4. Exploration and evaluation assets (continued)

	Balance September 30, 2021	Current Expenditures (Impairment)	Balance June 30, 2021	2020 Expenditures	Balance June 30, 2020
Regal Property, BC					
Property acquisition costs	123,500	-	123,500	72,750	50,750
Exploration and evaluation costs					
Accommodation and meals	36,808	-	36,808	19,075	17,733
Assays	36,993	539	36,454	18,996	17,458
Diamond drilling	934,931	-	934,931	707,901	227,030
Equipment rental	8,555	-	8,555	1,455	7,100
Fuel	7,248	-	7,248	3,914	3,334
Geologist	111,999	398	111,601	67,452	44,149
Helicopter	708,040	-	708,040	454,898	253,142
Licenses and permitting	21,646	-	21,646	350	21,296
Mining Exploration Tax Credit	(193,310)	-	(193,310)	(193,310)	-
Property Bond	22,000	-	22,000	22,000	-
Prospecting	118,134	-	118,134	46,600	71,534
Reporting costs	5,540	-	5,540	-	5,540
Staking costs	3,658	-	3,658	71	3,587
Supplies and miscellaneous	62,945	3,600	59,345	17,190	42,155
Support wages	23,087	-	23,087	22,975	112
Travel and transport	2,412	-	2,412	420	1,992
	1,910,686		1,906,149	1,189,987	716,162
Total Regal Property, BC	2,034,186	4,537	2,029,649	1,262,737	766,912
Windfall North Property, QC					
Property acquisition costs	20,447	-	20,447	20,447	-
Total Windfall North Property, QC	20,447	-	20,447	20,447	-
Carscallen Extension Property					
Property acquisition costs	30,000	-	30,000	30,000	-
Impairment	(30,000)	-	(30,000)	(30,000)	-
	-	-	-	-	-
Exploration and evaluation costs					
Assays	11,167	-	11,167	11,167	-
Diamond drilling	257,563	-	257,563	257,563	-
Geologist	21,871	-	21,871	21,871	-
Support wages and contracts	46,586	-	46,586	46,586	-
Impairment	(337,187)	-	(337,187)	(337,187)	-
	-	-	-	-	-
Total Carscallen Extension Property	-	-	-	-	-
Total	\$ 2,054,633	\$ 4,537	\$ 2,050,096	\$ 914,839	\$ 1,135,257

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4. Exploration and evaluation assets (continued)

The following is a description of the Company's exploration and evaluation assets and the related spending commitments:

(a) Nor Property, Yukon Territory

The Nor Property consists of mineral claims in the Dawson Mining District, Yukon Territory.

Certain claims are subject to a 2% Net Smelter Royalty ("NSR"). The Company has the right to purchase 50% of the NSR for a purchase price of \$2,000,000 and the right of first refusal on the remaining 50%.

The Nor Property is currently in an area where there is dispute called the 'Peel Watershed Regional Use Plan' ("Plan") between the Yukon Government and First Nations Group. The Plan has restricted the Company from exploration activities. The Plan has been settled, however the area where the Nor Property is located is not yet finalized, with respect to mining activities. Management fully impaired the Nor Property during the year ended 2021 and recorded total impairment of \$368,345.

(b) Regal Property, British Columbia

On November 15, 2017, the Company entered into an option agreement to acquire 100% interest in the Regal Property located near Revelstoke, British Columbia. The Company entered into a four year option agreement where upon execution paid \$5,000 cash and issued 50,000 shares at a fair value of \$3,000. The remaining terms and payments under the agreement are as follows:

- i) \$10,000 cash payment (paid during the year ended June 30, 2019) and 50,000 shares (issued during the year ended June 30, 2019 with a fair value of \$4,750) to the vendor on the first anniversary of the agreement;
- ii) \$20,000 cash payment (paid during the year ended June 30, 2020) and 100,000 shares (issued during the year ended June 30, 2020) (Note 10) to the vendor on the second anniversary of the agreement;
- iii) \$30,000 cash payment (paid during the year ended June 30, 2021) and 150,000 (issued during the year ended June 30, 2021) (Note 10) shares to be issued to the vendor on the third anniversary of the agreement; and
- iv) \$40,000 cash payment and 250,000 shares to be issued to the vendor on the fourth anniversary of the agreement.

The vendor will retain a 3% NSR which can be fully bought out anytime for \$500,000 cash and 100,000 shares per each 1%.

(c) Windfall North, Quebec

During 2021, the Company acquired, through staking, 100% interest in the Windfall North Property located in the province of Quebec. The Company incurred \$20,447 in property acquisition cost in the year ended June 30, 2021.

(d) Carscallen Extension, Ontario

In 2021, the Company entered into an option agreement to acquire up to 100% interest in the Carscallen Extension Property located west of Timmons, Ontario. The Company paid \$30,000 in acquisition costs and incurred \$337,187 in exploration expenses as part of an agreement to acquire the property. Before the end of 2021 the Company withdrew from the agreement and recorded total impairment costs of \$367,187.

Affinity Metals Corp.
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For the Periods Ended September 30, 2021
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5. Accounts Payables and Accrued Liabilities

	September 30, 2021	June 30, 2021
Trade payables (Note 9)	\$ 97,250	\$ 94,580
Other liability	-	-
Accrued liabilities	15,000	15,000
	\$ 112,250	\$ 109,580

The Company entered into a consulting agreement with a third party (the “Consultant”) during the year ended June 30, 2020. The contract value of the services is \$63,000 payable with common shares of the Company at the market price based on the following schedule:

September 15, 2019	\$ 12,600
December 15, 2019	12,600
March 15, 2020	12,600
June 15, 2020	12,600
September 15, 2020	12,600
	\$ 63,000

The Consultant completed services for the value of \$52,454 during the year ended June 30, 2020 and the Company issued 96,000 common shares to the Consultant for the value of \$13,440 (Note 10). The other liability of \$39,014 consists of the liability payable to the Consultant for the services completed during the year ended June 30, 2020. The remaining services worth \$12,600 were completed after the year ended June 30, 2020. This obligation was classified as a financial liability, in accordance with IAS 32, due to the fact that the liability is going to be settled with a variable numbers of common shares to be determined by the market price and the contractual price of the consultant agreement of \$63,000.

6. Restoration and environmental obligations

The Company did not provide for any possible restoration and environmental obligations as management believes that no liability exists. It is not currently possible to estimate the impact on operating results, if any, of future legislative or regulatory developments regarding restoration and environmental obligations.

7. Share capital

Authorized share capital

Unlimited number of common shares without par value.

Issued share capital

At September 30, 2021 there were 47,032,101 (2021 – 47,032,101) issued and fully paid common shares.

Common shares

Issued during the period ended September 30, 2021:

No shares were issued during the first three months ended September 30, 2021.

Issued during the period ended June 30, 2021:

On July 23, 2020, the Company issued 3,750,000 common shares in a non-brokered private placement at a price of \$0.20 per unit for gross proceeds of \$750,000. Each unit consisted of one common share of the Company and one non-transferable common share purchase warrant. Each warrant may be exercised for one additional common share for a period of 2 years from the closing date at a price of \$0.35 per share.

Affinity Metals Corp.
Condensed Interim Notes to the Financial Statements
For the Periods Ended September 30, 2021
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7. Share capital (continued)

On July 23, 2020, the Company also issued 4,605,137 common shares in a non-brokered private placement at a price of \$0.22 per unit for gross proceeds of \$1,013,130. Each unit consisted of one common share of the Company and one non-transferable common share purchase warrant. Each warrant may be exercised for one additional common share for a period of 2 years from the closing date at a price of \$0.33 per share.

On August 10, 2020, the Company issued 1,022,229 flow-through common shares in a non-brokered private placement at a price of \$0.45 per unit for gross proceeds of \$460,003. Each unit consisted of one flow-through common share of the Company and one non-flow-through, non-transferable common share purchase warrant. Each warrant may be exercised for one additional common share for a period of 18 months from the closing date at a price of \$0.65 per share.

On November 16, 2020, the company issued 150,000 shares under an agreement to acquire exploration and evaluation assets. The shares were issued for a fair value of \$42,750 (Note 5).

On November 20, 2020, the Company issued 1,000,000 common shares for the exercise of common share purchase warrants at \$0.15 per common share.

Basic and diluted loss per share

The calculation of basic and diluted loss per share for the period ended September 30, 2021 was based on the net loss attributable to common shareholders of \$133,228 (2020 – \$224,299) and the weighted average number of common shares outstanding of 47,032,101 (2020 – 42,974,130).

Diluted loss per share did not include the effect of 4,485,000 stock options or 18,011,888 warrants as the effect would be anti-dilutive.

Warrants

Granted during the period ended September 30, 2021:

No warrants were granted for the three-month period ended September 30, 2021.

Granted during the year ended June 30, 2021:

On July 23, 2020, 3,750,000 warrants were granted as part of the units issued in a private placement. Each full warrant may be exercised for one additional common share for a period of 2 years from the closing date at a price of \$0.35 per share.

On July 23, 2020, 4,605,137 warrants were granted as part of the units issued in a private placement. Each full warrant may be exercised for one additional common share for a period of 2 years from the closing date at a price of \$0.33 per share.

On August 10, 2020, 1,022,229 warrants were granted as part of the units issued in a flow-through private placement. Each full non-flow-through warrant may be exercised for one additional common share for a period of 18 months from the closing date at a price of \$0.65 per share. As well, 62,222 finder's warrants were granted. Each full finder's warrants may be exercised for one additional common share for a period of 18 months from the closing date at a price of \$0.65 per share.

Affinity Metals Corp.
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7. Share capital (continued)

The following table summarizes the continuity of the Company's warrants:

	September 30, 2021		June 30, 2021	
	Number of warrants	Weighted average exercise price	Number of warrants	Weighted average exercise price
Warrants outstanding, beginning	18,011,888	\$ 0.29	9,572,300	\$ 0.19
Warrants issued	-	-	9,439,588	0.38
Warrants exercised	-	-	(1,000,000)	0.15
Warrants expired	-	-	-	-
Warrants outstanding, ending	18,011,888	\$ 0.29	18,011,888	\$ 0.29
Warrants exercisable, ending	18,011,888	\$ 0.29	18,011,888	\$ 0.29

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. The maximum discount allowed varies with share price, with a maximum of 25% and a minimum price of \$0.05. Options may be exercised no later than 90 days following cessation of the optionee's position with the Company or thirty days following cessation of an optionee conducting investor relations activities' position. Pursuant to the stock option plan, options granted in respect of investor relations activities are subject to vesting in stages over one year from the grant date with a maximum of one-quarter of the options vesting in any three month period. Vesting restrictions may also be applied to other options grants, at the discretion of the Board of Directors.

Granted during the period ended September 30, 2021:

No options were granted for the three-month period ended September 30, 2021.

Granted during the year ended June 30, 2021:

On October 29, 2020, the Company granted 1,140,000 stock options to directors, officers, and consultants of the Company. Each option to purchase common shares may be exercised for a period of 10 years from the grant date of the options at a price of \$0.26. The options vested immediately.

The following table summarizes the continuity of the Company's stock options:

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7. Share capital (continued)

	September 30, 2021		June 30, 2021	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Options outstanding, beginning	4,485,000	\$ 0.14	3,345,000	\$ 0.10
Options granted	-	-	1,140,000	0.26
Options expired	-	-	-	-
Options cancelled	-	-	-	-
Options outstanding, ending	4,485,000	\$ 0.14	4,485,000	\$ 0.14
Options exercisable, ending	4,485,000	\$ 0.14	4,485,000	\$ 0.14

8. Reserves

Warrant reserve

The warrant reserve records the fair value of the common shares purchase warrants recorded using the Black-Scholes Option Pricing Model. At the time the warrants are issued, there is a corresponding amount recorded as an offset to share capital.

Granted during the period ended September 30, 2021:

No warrants were granted during the three-month period ended September 30, 2021.

Granted during the year ended June 30, 2021:

On July 23, 2020, the Company issued 3,750,000 common share purchase warrants as part of the private placement (Note 10). Each common share purchase warrant may be exercised for a period of 24 months from the closing date of the private placement at a price of \$0.35. The fair value of the common share purchase warrants was determined to be \$473,695 in total using the Black Scholes Option Pricing Model, assuming a 0% dividend yield, 155% volatility, a risk free interest rate of 0.23%, and a term of 2 years.

On July 23, 2020, the Company also issued 4,605,137 common share purchase warrants as part of the private placement (Note 10). Each common share purchase warrant may be exercised for a period of 24 months from the closing date of the private placement at a price of \$0.33. The fair value of the common share purchase warrants was determined to be \$619,462 in total using the Black Scholes Option Pricing Model, assuming a 0% dividend yield, 155% volatility, a risk free interest rate of 0.23%, and a term of 2 years.

On August 10, 2020, the Company issued 1,022,229 common share purchase warrants as part of the private placement (Note 10). Each common share purchase warrant may be exercised for a period of 18 months from the closing date of the private placement at a price of \$0.65. The fair value of the common share purchase warrants was determined to be \$171,573 in total using the Black Scholes Option Pricing Model, assuming a 0% dividend yield, 160% volatility, a risk free interest rate of 0.23%, and a term of 1.5 years. As well, 62,222 finder's warrants were issued (Note 10). Each finder's warrants may be exercised for a period of 18 months from the closing date of the private placement at a price of \$0.65. The fair value of the finder's warrants was determined to be \$17,166 in total using the Black Scholes Option Pricing Model, assuming a 0% dividend yield, 155% volatility, risk free interest rate of 0.23%, and a term of 1.5 years.

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8. Reserves (continued)

Stock option reserve

The stock option reserve records items recognized as stock-based compensation expense until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

During the period ended September 30, 2021, the Company:

Granted no options during the three-month period ended September 30, 2021.

During the year ended June 30, 2021, the Company:

Granted 1,140,000 options to purchase common shares to officers, directors and consultants of the Company. Each option to purchase common shares may be exercised for a period of 10 years from the grant date of the options at a price of \$0.26. The options vested upon grant. The fair value of the common share purchase options was determined to be \$292,803 in total using the Black Scholes Option Pricing Model, assuming a 0% dividend yield, 160% volatility, a risk free interest rate of 0.63%, \$0.26 stock price and a term of 10 years.

Investment revaluation reserve

The investment revaluation reserve records unrealized gains and losses arising from financial assets classified as FVTOCI, except for impairment losses.

9. Related party transactions

The Company incurred the following related party transactions with companies that are controlled by a relative of a director of the Company.

Key management personnel compensation

	Period Ended	
	September 30, 2021	September 30, 2020
Consulting fees – accrued or paid to a company controlled by the CEO	\$ 45,000	\$ 45,000
Consulting fees – accrued or paid to a company controlled by the CFO	45,000	45,000
Consulting fees – accrued or paid to officers	\$ 90,000	\$ 90,000

Included in payables at September 30, 2021 is \$nil (2020 – \$42,510) owed to officers of the Company for accrued consulting fees (Note 5). These amounts are unsecured, non-interest bearing and due on demand.

10. Segmented information

Operating segments

The Company operates in a single reportable operating segment – the acquisition, exploration and development of mineral properties.

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10. Segmented information (continued)

Geographic segments

At June 30, 2021 all of the Company's assets are located in Canada.

11. Subsequent events

On November 9, 2021, the Company announced the repricing of previously issued common share purchase options under the Company's option incentive plan. A total of 1,000,000 common share purchase options were repriced from the original issue price of \$0.19 to the market price on the announcement date of \$0.11 per common share and a total of 1,140,000 common share purchase options were repriced from the original issue price of \$0.255 to the market price on the announcement date of \$0.11 per common share. As part of the repricing and included in the previous totals, the repricing of 1,690,000 common share purchase options held by insiders is subject to the approval of disinterested shareholders of the Company at the Company's next annual general meeting.

On November 15, 2021, the Company issued 250,000 common shares as the final payment related to the Regal Property option agreement.