DEEPROCK MINERALS INC.

Condensed Interim Financial Statements

For the nine months ended August 31, 2019 and 2018

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

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

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

The Company's independent auditor has not performed a review of these condensed interim financial statements.

DEEPROCK MINERALS INC.
Condensed Interim Statements of Financial Position
August 31, 2019 and November 30, 2018
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	August 31, 2019 $	**November 30, 2018 $**
Assets		
Current		
Cash	203,076	313,058
GST receivable	19,353	10,293
Due from related party (Note 9)	2,363	-
Prepaid expenses	13,854	-
	238,646	323,351
Exploration and evaluation asset (Note 4)	131,000	30,000
Total Assets	369,646	353,351
Liabilities		
Current		
Accounts payable	91,761	39,440
Due to related parties (Note 9)	32,277	84,614
Accrued liabilities (Note 9)	76,662	11,500
Loans payable (Notes 7 and 9)	8,650	15,625
	209,350	151,179
Shareholders' Equity		
Share capital (Note 5)	1,088,772	704,291
Reserve (Note 5)	150,194	41,900
Deficit	(1,078,670)	(544,019)
	160,296	202,172
Total Liabilities and Shareholders' Equity	369,646	353,351

Nature and Continuance of Operations (Note 1)
Subsequent Event (Note 11)

Approved and authorized for issue by the Board of Directors on October 30, 2019:

"Richard Shatto"	*"Patrick O'Brien"*
Richard Shatto, Director	Patrick O'Brien, Director

The accompanying notes are an integral part of these Financial Statements

DEEPROCK MINERALS INC.
Condensed Interim Statements of Loss and Comprehensive Loss
For the three and nine months ended August 31, 2019 and 2018
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	For the three months ended August 31,		For the nine months ended August 31,	
	2019	**2018**	**2019**	**2018**
	$	**$**	**$**	**$**
Expenses				
Bank charges and interest	680	25	983	87
Consulting fees (Note 9)	68,151	35,048	221,890	112,667
Exploration and evaluation	163,231	14,476	237,181	26,982
Office and miscellaneous (Note 9)	6,835	-	13,492	292
Professional fees	3,786	24,547	38,135	39,407
Transfer agent and filing fees	4,460	4,798	22,970	21,913
Net loss and comprehensive loss for the period	(247,143)	(78,894)	(534,651)	(201,348)
Basic and diluted loss per common share	(0.01)	(0.01)	(0.03)	(0.02)
Weighted average number of common shares outstanding	22,703,971	9,246,880	17,717,977	9,154,909

The accompanying notes are an integral part of these Financial Statements

DEEPROCK MINERALS INC.
Condensed Interim Statements of Changes in Shareholders' (Deficit) Equity
For the nine months ended August 31, 2019 and 2018
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	Number of Shares #	Share Capital $	Reserve $	Deficit $	Total $
Balance, November 30, 2017	9,046,880	256,841	18,800	(271,738)	3,903
Shares issued pursuant to mineral property agreement	200,000	20,000	-	-	20,000
Net loss and comprehensive loss for the period	-	-	-	(201,348)	(201,348)
Balance, August 31, 2018	9,246,880	276,841	18,800	(473,086)	(177,445)
Balance, November 30, 2018	14,509,380	704,291	41,900	(544,019)	202,172
Cash					
Agent's shares issued	25,200	2,006	(746)	-	1,260
Private placement	9,011,000	359,530	91,040	-	450,570
Share issue cost	-	(45,055)	-	-	(45,055)
Agent's warrants issued	-	(18,000)	18,000	-	-
Shares issued pursuant to mineral property agreement	600,000	60,000	-	-	60,000
Shares issued pursuant to mineral property agreement	400,000	20,000	-	-	20,000
Shares issued pursuant to mineral property agreement	200,000	6,000	-	-	6,000
Net loss and comprehensive loss for the period	-	-	-	(534,651)	(534,651)
Balance, August 31, 2019	**24,745,580**	**1,088,772**	**150,194**	**(1,078,670)**	**160,296**

The accompanying notes are an integral part of these Financial Statements

DEEPROCK MINERALS INC.
Condensed Interim Statements of Cash Flows
For the nine-months ended August 31, 2019 and 2018
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	August 31, 2019 $	August 31, 2018 $
Cash (used in) /provided by:		
Operating activities		
Net loss for the period	(534,651)	(201,348)
Items not affecting cash		
Consulting fees	-	50,596
	(534,651)	(150,752)
Change in non-cash working capital components		
GST receivable	(9,060)	4,821
Prepaid expenses	(13,854)	(2,240)
Accounts payable and accrued liabilities	117,483	55,790
Due to related parties	(52,337)	-
Net cash provided by (used in) operating activities	(492,419)	(92,381)
Financing activities		
Loans payable - advanced	-	69,500
Loans payable - repaid	(6,975)	-
Shares issued for cash	451,830	-
Share issue cost	(45,055)	-
Net cash provided by financing activities	399,800	69,500
Cash flows from investing activities:		
Note receivable repaid	-	25,500
Exploration and evaluation assets	(15,000)	(5,000)
Due from related party	(2,363)	2,000
Net cash provided by investing activities	(17,363)	22,500
Change in cash	(109,982)	(381)
Cash, beginning of the period	313,058	8,079
Cash, end of the period	203,076	7,698
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period:		
Interest expense	**-**	**-**
Income taxes	**-**	**-**
Noncash transactions		
Due from related party	**-**	**10,888**
Exploration and evaluation asset	**(86,000)**	**(20,000)**
Accounts payable and accrued liabilities	**-**	**(10,888)**
Share capital	**86,000**	**20,000**

The accompanying notes are an integral part of these Financial Statements

1. NATURE AND CONTINUANCE OF OPERATIONS

Deeprock Minerals Inc. (the "Company") is a mining property exploration company whose common shares trade on the Canadian Securities Exchange ("CSE"). On November 14, 2018, the Company completed its initial public offering ("IPO") dated July 24, 2018 and became a reporting issuer. On November 16, 2018, the Company commenced trading under the trading symbol "DEEP".

The head office and principal office of the Company is located at Suite 500 – 666 Burrard Street, Vancovuer BC V6C 3P6.

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 assets and discharge liabilities in the ordinary course of operations. Different bases of measurement may be appropriate if the Company was not expected to continue operations for the foreseeable future. At August 31, 2019, the Company has not achieved profitable operations, has accumulated losses of $1,078,670 since inception and expects to incur further losses in the development of its business. The above material uncertainties cast significant doubt about the Company's ability to continue as a going concern. The Company's continuation as a going concern is dependent upon successful results from its operations, its ability to attain profitable operations to generate funds and/or its ability to raise equity capital or borrowings sufficient to meet its current and future obligations. Although the Company has been successful in the past in raising funds to continue operations, there is no assurance it will be able to do so in the future.

2. BASIS OF PRESENTATION

These financial statements are prepared in accordance and compliance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") applicable to the preparation of interim financial statements, including the International Accounting Standard ("IAS") 34 – Interim Financial Reporting.

These financial statements are presented in Canadian dollars, which is the Company's functional and reporting currency. These financial statements are prepared on a historical cost basis except for financial instruments classified as fair value through profit or loss ("FVTPL"), which are stated at their fair value.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these financial statements set out below have been applied consistently with those used in the preparation of the audited financial statements as at November 30, 2018. The accompanying unaudited condensed interim financial statements should be read in conjunction with the Company's audited financial statements for the year ended November 30, 2018.

a. Significant accounting judgments and estimates

The preparation of financial statements in conformity with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported revenues and expenses during the year. Although management uses historical experience and its best knowledge of the amount, events or actions to form the basis for judgments and estimates, actual results may differ from these estimates.

The most significant accounts that require judgement and estimates are as follows:

Going concern

The assumption that the Company is a going concern and will continue in operation for the foreseeable future and at least one year.

b. Financial instruments

On December 1, 2018, the Company adopted IFRS 9 – Financial Instruments ("IFRS 9"), which replaced IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 provides a revised model for classification and measurement of financial assets, including a new expected credit loss ("ECL") impairment model. The revised model for classifying financial assets results in classification according to their contractual cash flow characteristics and the business models under which they are held. IFRS 9 also introduces a reformed approach to hedge accounting. IFRS 9 largely retains the existing requirements in IAS 39 for the classification of financial liabilities. The standard is effective for annual periods beginning on or after December 1, 2018.

As a result of the adoption of IFRS 9, the Company has changed its accounting policy for financial instruments retrospectively. IFRS 9 does not require restatement of comparative periods.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Financial instruments (continued)

The change in accounting policy did not result in a change in carrying value of any of the Company's financial instruments on transition date and did not have a significant impact on the Company's policies related to financial assets and liabilities. The adoption of the ECL impairment model did not have an impact on the Company's condensed interim financial statements.

	December 1, 2018	
	IAS 39	IFRS 9
Financial Asset		
Cash	FVTPL	FVTPL
Due from related party	Amortized cost	Amortized cost
Financial Liabilities		
Accounts payable and accrued liabilities	Amortized cost	Amortized cost
Due to related parties	Amortized cost	Amortized cost
Loans payable	Amortized cost	Amortized cost

c. Revenue from contracts with customers

On December 1, 2018, the Company adopted IFRS 15, Revenue from Contracts with Customers. IFRS 15 specifies how and when revenue should be recognized as well as requiring more informative and relevant disclosures. The standard supersedes IAS 18 Revenue, IAS 11 Construction Contracts, and a number of revenue-related interpretations. Application of the standard is mandatory and it applies to nearly all contracts with customers: the main exceptions are leases, financial instruments and insurance contracts. IFRS 15 is effective for the Company's annual period beginning December 1, 2018.

The main features introduced by this new standard compared with predecessor IFRS are as follows:

Revenue is recognized based on a five-step model:
1) Identify the contract with customer;
2) Identify the performance obligations;
3) Determine the transaction price;
4) Allocate the transaction price to the performance obligations; and
5) Recognize revenue when (or as) the performance obligations are satisfied.

New disclosure requirements on information about the nature, amount timing and uncertainty of revenue and cash flows from contracts with customers.

Guidance is provided on topics such as the point in which revenue is recognized, accounting for variable consideration, costs of fulfilling and obtaining a contract and various related matters. New disclosures about revenue are also introduced. The adoption of IFRS 15 resulted in no impact to the opening accumulated deficit as the Company had no revenues.

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

d. Accounting standards, interpretations and amendments to existing standards that have been recently adopted and that are not yet effective:

The following new standard and interpretation are not yet effective and have not been applied in preparing these financial statements. The Company does not anticipate any material changes to the financial statements upon adoption of this new and revised accounting pronouncements.

On January 13, 2016, the IASB issued IFRS 16 *Leases* which requires entities to recognize lease assets and lease obligations on the balance sheet. IFRS 16 eliminates the classification of leases as either operating leases or finance leases for a lessee. Instead leases are "capitalized" by recognizing the present value of the lease payments and showing them either as lease assets (right-of-use assets) or together with property, plant and equipment. If lease payments are made over time, a company also recognizes a financial liability representing its obligations to make future lease payments. This standard is effective for reporting periods beginning on or after January 1, 2019

4. EXPLORATION AND EVALUATION ASSETS

The following table summarizes the Company's mineral property assets as at August 31, 2019 and November 30, 2018 and the changes for the periods then ended, and exploration expenditures for the nine-months ended August 31, 2019 and the year ended November 30, 2018.

	Golden Gate Project	**Ralleau Property**	**Total**
Balance November 30, 2017	$ -	$ 5,000	$ 5,000
Shares issued pursuant to the terms of the agreements	-	20,000	20,000
Paid in cash	-	5,000	5,000
Balance November 30, 2018	-	30,000	30,000
Shares issued pursuant to the terms of the agreement	6,000	80,000	86,000
Paid in cash	-	15,000	15,000
Balance August 31, 2019	**$ 6,000**	**$ 125,000**	**$ 131,000**

Ralleau Property	Total Cumulative expenditure to November 30, 2018	Current period Exploration Expenditures to August 31, 2019	Total cumulative expenditure to August 31, 2019
Exploration expenditures			
Assays	$ -	$ 14,906	$ 14,906
Drilling	-	97,132	97,132
Field and miscellaneous	-	1,650	1,650
Geological	87,111	115,271	202,382
Geological report	3,958	-	3,958
Maintenance payment	11,890	8,222	20,112
	$ 102,959	$ 237,181	$ 340,140

4. EXPLORATION AND EVALUATION ASSETS (continued)

Ralleau Property

On April 5, 2017 and as amended on March 15, 2018 and June 30, 2018, the Company entered into an option agreement with Megastar Development Corp. ("Megastar"), whereby Megastar granted the Company the right to acquire a 50% interest in and to the Ralleau Property located in the Quevillon area of Quebec. In order to acquire the 50% interest in the Ralleau Property the Company shall pay $100,000 in cash, issue 1,700,000 common shares of the Company and incur $250,000 in eligible exploration work as follows:

(a) Cash payment of $100,000 and issuance of 1,700,000 common shares as follows:

- (i) $5,000 on or before the execution of this agreement (paid);
- (ii) $5,000 (paid) and 600,000 common shares (issued) on the earlier of the exchange listing date or August 31, 2018;
- (iii) $5,000 (paid) and 200,000 common shares (issued) on or before the first anniversary date of this agreement, April 5, 2018;
- (iv) $10,000 (paid) and 400,000 common shares (issued) on or before the second anniversary date of this agreement, April 5, 2019;
- (v) $75,000 and 500,000 common shares on or before the third anniversary date of this agreement, April 5, 2020.

(b) Exploration expenditures of $250,000 on the Property as follows:

- (i) $40,000 on or before May 30, 2017 (incurred);
- (ii) $15,000 on or before July 31, 2017 (incurred);
- (iii) $25,000 on or before October 31, 2018 (incurred);
- (iv) $50,000 on or before the second anniversary date of this agreement, April 5, 2019 (incurred);
- (v) $120,000 on or before the third anniversary date of this agreement, April 5, 2020. (incurred)

If the exploration expenditures incurred are less than the amount of the exploration expenditures required to be incurred in any period, the Company may at its option pay the deficiency to Megastar within sixty days after the end of such period in order to maintain the Option in good standing.

Golden Gate Project

On June 24, 2019, the Company entered into an option agreement with George Willett ("Optionor") to acquire 100% interest in 13 mineral claims situated in Gloucester Count, Bathurst Mining Division, New Brunswick. ("Golden Gate Project") In order to acquire the 100% interest, the Company is required to pay $170,000 in cash, issue 200,000 common shares of the Company and incur $220,000 in exploration expenditures on or before the 4th anniversary date as follows:

Cash and share payments are as follows:

a) Issue 200,000 common shares within 15 days of the approval of the agreement (issued);
b) Pay $30,000 in cash on or before August 22, 2020;
c) Pay $40,000 in cash on or before August 22, 2021;
d) Pay $50,000 in cash on or before August 22, 2022; and
e) Pay $50,000 in cash on or before August 22, 2023.

4. EXPLORATION AND EVALUATION ASSETS (continued)

Golden Gate Project (continued)

At the Company's discretion 50% of the cash payments can be paid out in shares based on the average share price of the last 10 trading days prior to the day the payment is made.

Exploration work commitment schedule:

a) $40,000 in accumulated exploration expenditure on or before August 22, 2020;
b) $90,000 in accumulated exploration expenditure on or before August 22, 2021;
c) $150,000 in accumulated exploration expenditure on or before August 22, 2022; and
d) $220,000 in accumulated exploration expenditure on or before August 22, 2023.

5. SHARE CAPITAL

a. Authorized

Unlimited Common shares without par value

b. Issued share capital

For the nine months ended August 31, 2019:

On December 11, 2018, the Company issued 25,200 common shares pursuant to the exercise of 25,200 agent's options at $0.05 per share for total proceeds of $1,260.

On January 29, 2019, the Company issued 600,000 common shares pursuant to an option agreement with Megastar fair valued at $60,000.

On April 5, 2019, the Company issued 400,000 common shares pursuant to an option agreement with Megastar fair valued at $20,000.

On May 22, 2019, the Company issued 2,482,000 flow-through units at a price of $0.05 and 334,000 non-flow-through units at a price of $0.05 per unit for total proceeds of $140,800. Each flow-through unit consists of one flow-through share and one-half of one transferable non-flow-through common share purchase exercisable at a price of $0.10 per share expiring on November 21, 2020. Each non-flow-through unit consists of one non-flow-through common share and one-half of one transferable non-flow-through common share purchase warrant, exercisable at a price of $0.10 per share expiring on November 21, 2020. On July 19, 2019, 93,000 non-flow-through units were cancelled. The Company uses the residual method of valuing its warrants and have allocated $28,160. There was no flow-through premium on the private placement. The Company issued 272,300 agents' warrants at an exercise price of $0.05 per share for up to 18 months expiring on November 21, 2020. The agents' warrants were fair valued at $5,400 using the Black-Scholes model based on the following assumptions: stock price of $0.04; risk-free rate – 1.53%; expected dividend – nil; expected life – 1.5 years; expected volatility – 100%. The Company entered into flow-through shares subscription agreement, whereby it was committed to incur $124,075 of qualifying Canadian Exploration Expenses ("CEE") as described in the Income Tax Act of Canada of which all were incurred by August 31, 2019.

5. SHARE CAPITAL (continued)

c. Issued share capital (continued)

For the nine months ended August 31, 2019: (continued)

On June 28, 2019, the Company issued 5,529,000 flow-through units at a price of $0.05 and 759,000 non-flow-through units at a price of $0.05 per unit for total proceeds of $314,400. Each flow-through unit consists of one flow-through share and one-half of one transferable non-flow-through common share purchase exercisable at a price of $0.10 per share expiring on December 27, 2020. Each non-flow-through unit consists of one non-flow-through common share and one-half of one transferable non-flow-through common share purchase warrant, exercisable at a price of $0.10 per share expiring on December 21, 2020. The Company uses the residual method of valuing its warrants and have allocated $62,880. There was no flow-through premium on the private placement. The Company paid a cash finders fee of $45,055 and issued 628,800 agents' warrants at an exercise price of $0.05 per share for up to 18 months expiring on December 27, 2020. The agents' warrants were fair valued at $12,600 using the Black-Scholes model based on the following assumptions: stock price of $0.04; risk-free rate – 1.46%; expected dividend – nil; expected life – 1.5 years; expected volatility – 100%. The Company entered into flow-through shares subscription agreement, whereby it was committed to incur $276,395 of qualifying CEE as described in the Income Tax Act of Canada of which approximately $108,000 was incurred by August 31, 2019.

On August 22, 2019, the Company issued 200,000 common shares pursuant to an option agreement to the Optionor on the Golden Gate project fair valued at $6,000.

For the year ended November 30, 2018:

On November 14, 2018, the Company completed its IPO of 5,000,000 common shares of the Company at $0.10 per share for gross proceeds of up to $500,000. The Company paid the Agent a cash commission of 7% of the gross proceeds from the IPO totalling $35,000 and $21,300 in out of pocket cost. The Company also pay the Agent a Work Fee of $25,000 plus GST, which were paid by the issuance of 262,500 common shares of the Company at a price of $0.10 per share. The Company issued 350,000 agents' warrants at an exercise price of $0.10 per share for up to 24 months from the date of closing of the IPO. The agents' warrants were fair valued at $17,500 using the Black-Scholes model based on the following assumptions: stock price of 40.10; risk-free rate - 2.21%; expected dividend – nil; expected life – 2 years; expected volatility – 100%.

On April 5, 2018, the Company issued 200,000 common shares pursuant to an option agreement with Megastar fair valued at $20,000.

d. Stock options:

The Company has adopted an incentive stock option plan (the "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 applicable stock exchange's requirements, grant to directors, officers, employees and consultants to the Company, non-transferable options to purchase common shares. Pursuant to the Option Plan, the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares of the Company. Options granted under the Option Plan can have a maximum exercise term of 5 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

c. Stock options: (continued)

On September 19, 2017, the Company granted 875,000 stock options to consultants, directors and an officer of the Company at a price of $0.10 per share expiring five years from the date on which the shares of the Company are first listed and called for trading on a Canadian stock exchange. The Company has recorded a fair value of $17,500 or $0.02 per option which was determined using the Black Scholes option pricing model with the following assumptions: $0.0275 per share on grant date, 0.85% risk free rate, 0% dividend yield, 100% expected annualized volatility; 5 years expected stock option life and 0% forfeiture rate. Excepted annualized volatility was estimated based on reference to volatility of comparable companies. The Company recorded a stock based compensation charge of $5,600 on November 14, 2018, date of listing. This transaction was recorded as a modification of stock options utilizing the Black-Scholes option pricing model with the following assumptions – $0.10 per share on grant date, 2.27% risk-free rate, 0% dividend yield, 100% expected annualized volatility; 5 years expected stock option life and 0% forfeiture rate.

Stock options outstanding are as follows:

	Number of Stock Options	**Weighted Average Exercise Price**
Balance, November 30, 2017 and 2018	875,000	$0.10
Forfeited/cancelled	(500,000)	$0.10
Balance, August 31, 2019	375,000	$0.10

As at August 31, 2019, the Company has outstanding 375,000 stock options to directors of the Company at a price of $0.10 per share expiring on November 14, 2023. As at August 31, 2019, the weighted average remaining life of the stock options was 4.21 years.

d. Share purchase warrants:

Share purchase warrants for the nine months ended August 31, 2019 and the year ended November 30, 2018 are as follows:

	Number of Warrants	**Weighted Average Exercise Price**
Balance, November 30, 2017 and 2018	-	-
Issued	4,552,000	$0.10
Cancelled	(46,500)	$0.10
Balance, August 31, 2019	4,505,500	$0.10

(Expressed in Canadian dollars)

5. SHARE CAPITAL (continued)

d. Share purchase warrants: (continued)

The following Share purchase warrants are outstanding as at August 31, 2019 are as follows:

Expiry Date	Exercise Price	Number of Shares	Remaining Contractual Life (Years)
November 21, 2020	$0.10	1,361,500	1.23
December 27, 2020	$0.10	3,144,000	1.33
Total		4,505,500	
Weighted average remaining life of warrants outstanding as at August 31, 2019			1.30

e. Agent's warrants:

Agent's warrant transactions for the nine months ended August 31, 2019 and for the year ended November 30, 2018 are as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance, November 30, 2017	43,890	$0.05
Issued	350,000	$0.10
Balance, November 30, 2018	393,890	$0.09
Issued	901,100	$0.05
Exercised	(25,200)	$0.05
Expired	(18,690)	$0.05
Balance, August 31, 2019	1,251,100	$0.07

The following Agent's warrants are outstanding as at August 31, 2019 are as follows:

Expiry Date	Exercise Price	Number of Shares	Remaining Contractual Life (Years)
November 14, 2020	$0.10	350,000	1.21
November 21, 2020	$0.05	272,300	1.23
December 27, 2020	$0.05	628,800	1.33
Total		1,251,100	
Weighted average remaining life of warrants outstanding as at August 31, 2019			1.27

5. SHARE CAPITAL (continued)

f. Escrow:

Pursuant to an escrow agreement dated September 18, 2017, 4,337,330 common shares were placed into escrow to be released as to 10% on the Listing Date with the remaining 90% to be released in equal tranches at six-month intervals over the 36 months following the Listing Date. On November 14, 2018, 10% of the escrow was released.

As at August 31, 2019, there were 3,252,998 (November 30, 2018 – 4,049,630) common shares held in escrow. The next escrow release will be on November 14, 2019.

6. CAPITAL DISCLOSURES

The Company's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders. The Company considers the items included in shareholders' equity and cash as capital. The Company manages the capital structure and makes adjustments to it in response to changes in economic conditions and the risk characteristics of the underlying assets. The Company's primary objective with respect to its capital management is to ensure that it has sufficient cash resources to pay for general administrative costs, the Company will raise additional amounts as needed. The Company is not subject to any capital requirements imposed by a regulator. There has been no change in the Company's approach to capital management during the period ended August 31, 2019.

7. LOANS PAYABLE

As at August 31, 2019, external parties had temporarily advanced $8,650 (November 30, 2018: $15,625) to the Company in order to finance its short-term operating expenses. These loans are non-interest bearing and have no fixed terms of repayment.

8. FINANCIAL INSTRUMENTS

The Company's financial instruments consist of cash, due from/to related parties, accounts payable and accrued liabilities and loans payable. Cash is stated at fair value. The fair values of due from/to related parties, accounts payable, accrued liabilities and loans payable approximate their carrying values due to their short-term nature of these instruments.

The Company's risk exposures and the impact on the Company's financial instruments are summarized below:

The Company's credit risk was primarily attributable to bank balances. The Company limits its credit exposure on cash held in bank accounts by holding its key transactional bank accounts with banks of international financial institutions.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at August 31, 2019, the Company had cash balance of $203,076 and current liabilities of $209,350. All of the Company's financial liabilities are subject to normal trade terms. Management is considering different alternatives to secure adequate debt or equity financing to meet the Company's short- term cash requirements.

Interest risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market risk. The Company's sensitivity to interest rates is currently immaterial.

(Expressed in Canadian dollars)

9. RELATED PARTY BALANCES AND TRANSACTIONS

The amounts due to/from related parties are non-interest bearing, unsecured and due on demand.

Name	Relationship	August 31, 2019	November 30, 2018
		$	$
Due from Related Party			
0999650 B.C. Ltd.	Controlled by Rodney Gelineau, a shareholder with significant influence	2,363	-
		2,363	-
Due to Related Parties			
0999650 B.C. Ltd.	Controlled by Rodney Gelineau, a shareholder with significant influence	-	19,487
Geoff Balderson	Former CFO	-	21,075
Harmony Corporate Services	Controlled by Geoff Balderson	-	26,727
1011705 BC Ltd.	Common officers	2,000	-
Marjerrison Financial Management	Controlled by Paul Marjerrison, former CFO	5,250	-
Point Nexus	Controlled by Richard Shatto, Director	23,027	17,325
Ream Enterprises	Controlled by Matthew Reams	2,000	-
		32,277	84,614

Name	Relationship	August 31, 2019	November 30, 2018
		$	$
Loans Payable			
Point Nexus	Controlled by Richard Shatto, Director	-	100
Geoff Balderson	Former CFO	-	3,100
Continental Agro Trade Corp.	Common directors	8,650	8,650
1011705 B.C. Ltd.	Common officers	-	525
		8,650	12,375

Included in accrued liabilities at August 31, 2019, are $74,162 (November 30, 2018 - $Nil) in unpaid consulting fees to directors and to current and former officers of the Company.

(Expressed in Canadian dollars)

9. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Key Management Compensation

The Company considers its Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO") and its Directors to be key management. During the nine months ended August 31, 2019 and 2018 the Company had the following charges to its key management.

Name	Relationship	August 31, 2019	August 31, 2018
		$	$
Consulting fees			
0999650 B.C. Ltd.	Controlled by Rodney Gelineau, a shareholder with significant influence	12,000	48,414
Reams Enterprises/ Brooklyn Pacific	Controlled by Matthew Reams, President	17,048	-
Darrel Woronchak	Former President	-	20,831
Point Nexus	Controlled by Richard Shatto, Director	53,550	22,422
Marjerrison Financial Management	Controlled by Paul Marjerrison, CFO	26,667	-
Geoff Balderson	Former CFO	1,000	9,000
Harmony Corporate Services	Controlled by Geoff Balderson	1,000	9,000
Rockstar Capital Corp	Controlled by Pat O'Brien, CEO	60,000	-
		174,264	109,667

During the nine months ended August 31, 2019, the Company was charged $6,000 for office rent by 1011705 BC Ltd., a company related by a common officer.

These transactions above are in the normal course of operations and are measured at the agreed to amounts, which is the amount of consideration established and agreed to by the related parties.

10. SEGMENTED INFORMATION

During the nine-months ended August 31, 2019 and 2018, the Company had one reportable operating segment, being the acquiring, exploration and development of mineral properties in Canada.

11. SUBSEQUENT EVENT

On September 17, 2019, the Company granted 2,000,000 stock options to directors, officers and contractors. The stocks entitle the holders thereof the right to purchase one common share for each option granted at $0.05 per share expiring on September 16, 2029.