

DEEPROCK MINERALS INC.

Condensed Interim Financial Statements

For the six months ended May 31, 2021 and 2020

(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.**Statements of Financial Position**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	May 31, 2021 \$	November 30, 2020 \$
Assets		
Current		
Cash	18,538	29,574
Amounts receivable	3,931	10,672
Total Current Assets	22,469	40,246
Exploration and evaluation assets (Note 3)	526,000	153,000
Total Assets	548,469	193,246
Liabilities		
Current		
Accounts payable	124,551	500,671
Accrued liabilities	46,822	28,443
Due to related party	60,000	-
Loan payable	8,650	8,650
Total Current Liabilities	240,023	537,764
Shareholders' Equity		
Share capital (Note 4)	2,020,772	1,310,772
Reserve (Note 4)	150,194	150,194
Share subscriptions received	40,000	(172,500)
Deficit	(1,902,520)	(1,632,984)
Total Shareholders' Equity	308,446	(344,518)
Total Liabilities and Shareholders' Equity	548,469	193,246

Nature and Continuing Operations (Note 1)**Commitments (Note 3)****Approved and authorized for issue by the Board of Directors on July 27, 2021:***"Andrew Lee"*

Andrew Lee, Director

"Richard Shatto"

Richard Shatto, Director

DEEPROCK MINERALS INC.**Statements of Operations and Comprehensive Loss**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	<i>For the three months ended</i>		<i>For the six months ended</i>	
	<i>May 31,</i>		<i>May 31,</i>	
	2021	2020	2021	2020
	\$	\$	\$	\$
Expenses				
<i>Bank charges and interest</i>	590	202	1,079	394
<i>Consulting fees (Note 9)</i>	29,780	30,000	44,330	84,000
<i>Exploration and evaluation</i>	159,780	7,494	188,062	30,894
<i>Office expense</i>	(395)	1,324	610	4,140
<i>Professional fees</i>	(530)	11,958	20,205	20,751
<i>Transfer agent and filing fees</i>	7,146	6,790	15,250	11,785
Net loss and comprehensive loss for the period	(196,371)	(57,767)	(269,536)	(151,964)
Basic and diluted loss per common share	(0.00)	(0.00)	(0.01)	(0.01)
Weighted average number of common shares outstanding	61,745,580	25,076,015	52,106,019	24,911,700

(The accompanying notes are an integral part of these financial statements)

DEEPROCK MINERALS INC.
Statements of Changes in Equity
(Expressed in Canadian dollars)
(Unaudited – Prepared by Management)

	Number of Shares #	Share Capital \$	Reserve \$	Share Subscriptions Received \$	Deficit \$	Total \$
Balance, November 30, 2019	24,745,580	1,088,772	150,194	-	(1,356,243)	(117,277)
Shares issued pursuant to mineral property agreement	800,000	12,000	-	-	-	12,000
Net loss and comprehensive loss for the period	-	-	-	-	(151,964)	(151,964)
Balance, May 31, 2020	25,545,580	1,100,772	150,194	-	(1,508,207)	(257,241)
Balance, November 30, 2020	32,545,580	1,310,772	150,194	(172,500)	(1,632,984)	(344,518)
Shares issued pursuant to private placement	14,000,000	700,000	-	-	-	700,000
Shares issued pursuant to mineral property agreement	15,000,000	-	-	-	-	-
Subscriptions received	-	-	-	212,500	-	212,500
Agent's warrants exercised	200,000	10,000	-	-	-	10,000
Net loss and comprehensive loss for the period	-	-	-	-	(269,536)	(269,536)
Balance, May 31, 2021	61,745,580	2,020,772	150,194	40,000	(1,902,520)	308,446

DEEPROCK MINERALS INC.**Statements of Cash Flows**

(Expressed in Canadian dollars)

(Unaudited – Prepared by Management)

	May 31, 2021 \$	May 31, 2020 \$
Cash (used in) /provided by:		
Operating activities		
Net loss and comprehensive loss for the period	(269,536)	(151,964)
Change in non-cash working capital components:		
GST receivable	6,741	28,894
Amounts receivable	-	-
Prepaid expense	-	325
Accounts payable	(376,120)	74,305
Accrued liabilities	18,379	23,700
Due to related party	-	-
Net cash provided by (used in) operating activities	(620,536)	(24,740)
Financing activities		
Due to related party	60,000	-
Share subscriptions received	212,500	-
Agent's warrants exercised	10,000	-
Shares issued for private equity placement	700,000	-
Net cash provided by financing activities	982,500	-
Cash flows from investing activities:		
Exploration and evaluation assets	(373,000)	-
Net cash used in investing activities	(373,000)	-
Change in cash	(11,036)	(24,740)
Cash, beginning of the period	29,574	43,799
Cash, end of the period	18,538	19,059

(The accompanying notes are an integral part of these financial statements)

DEEPROCK MINERALS INC.

Notes to the Financial Statements

Six Months Ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

1. NATURE OF BUSINESS AND CONTINUING OPERATIONS

1020647 B.C. Ltd. (the “Company”) was incorporated on December 1, 2014 in the province of British Columbia pursuant to the British Columbia Business Corporations Act. On March 6, 2017, the Company changed its name to DeepRock Minerals Inc. On November 14, 2018, the Company completed its initial public offering and commenced trading on the Canadian Securities Exchange on November 16, 2018 under the symbol “DEEP”. The Company is a mineral exploration and development company. The head office and principal office of the Company is located at Suite 1518, 800 West Pender Street; Vancouver, BC V6C 2V6.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, leading to an economic downturn. The impact on the Company has not been significant, but management continues to monitor the situation.

These financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business. During the six months ended May 31, 2021, the Company has not generated any revenues and has incurred negative cash flow of \$620,536 from operations. As at May 31, 2021, the Company has a working capital deficit of \$217,554 and an accumulated deficit of \$1,902,520. The Company’s ability to continue as a going concern is dependent upon its ability to generate and maintain future profitable operations or obtain the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management is of the opinion that sufficient working capital will be obtained from external financing to meet the Company’s liabilities and commitments as they become due, although there is a risk that additional financing will not be available on a timely basis or on terms acceptable to the Company. These factors indicate the existence of a material uncertainty that may cast doubt on the ability of the Company to continue as a going concern. These financial statements do not reflect any adjustments that may be necessary if the Company is unable to continue as a going concern.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance and basis of presentation

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board 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. The financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars, which is the Company’s functional currency.

(b) Use of estimates and judgments

The preparation of these 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 reported amounts of expenses during the reporting period. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions, and expectations of future events that are believed to be reasonable under the circumstances. Actual outcomes could differ from these estimates.

DEEPROCK MINERALS INC.

Notes to the Financial Statements

Six Months Ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

Significant areas requiring the use of estimates include the recoverability of exploration and evaluation assets and unrecognized deferred income tax assets.

The Company's assessment of whether the going concern assumption is appropriate requires management to evaluate all available information about the future, which is at least, but not limited to, 12 months from the end of the reporting period. The Company is aware that material uncertainties related to events or conditions may cast significant doubt upon the Company's ability to continue as a going concern.

The application of the Company's accounting policy for exploration and evaluation assets requires judgment in determining whether it is likely that future economic benefits are likely either from future exploitation or sale or where activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The deferral policy requires management to make certain estimates and assumptions about future events or circumstances, in particular whether an economically viable extraction operation can be established. Estimates and assumptions made may change if new information becomes available.

(c) Application of New IFRS

There have been no new adoptions of IFRS during the six months ended May 31, 2021.

The Company adopted IFRS 16 – Leases, during the year ended November 30, 2020 with no significant impact on the Company's financial statements.

3. Exploration and Evaluation Assets

	Ralleau Property \$	Golden Gate Property \$	Romanium Property \$	Total \$
Acquisition costs:				
Balance, November 30, 2019	125,000	6,000	–	131,000
Additions	12,000	–	10,000	22,000
Balance, November 30, 2020	137,000	6,000	10,000	153,000
Additions	50,000	33,000	290,000	373,000
Balance, May 31, 2021	187,000	39,000	300,000	526,000

DEEPROCK MINERALS INC.**Notes to the Financial Statements**

Six Months Ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

Exploration expenditures included:

	Ralleau Property \$	Golden Gate Property \$	Romanium Property \$	Total \$
Exploration costs:				
Cumulative balance, November 30, 2019	372,363	80,151	-	452,514
Field and miscellaneous	2,401	-	-	2,401
Geological and geological reports	16,900	13,000	-	29,900
Exploration expenditures for the year	19,301	13,000	-	32,301
Cumulative balance, November 30, 2020	391,664	93,151	-	484,815
Assays	-	-	68,282	68,282
Geological and geological reports	-	-	99,000	99,000
Other expenditures	-	700	20,080	20,780
Exploration expenditures for the period	-	700	187,362	188,062
Cumulative balance, May 31, 2021	391,664	93,851	187,362	672,877

Ralleau Property

On April 5, 2017 (as amended on March 15, 2018, June 30, 2018, and April 20, 2020), the Company entered into an option agreement with Madoro Metals Corp. (formerly "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. On April 20, 2020, the agreement was amended to defer the \$75,000 payment due on April 5, 2020 to December 31, 2020. As compensation for the extension, the Company issued 300,000 common shares to Megastar. On March 12, 2021 an agreement was reached with Megastar to reduce the final \$75,000 payment to \$50,000 to be paid by March 31, 2021 to satisfy all requirements as set out in the agreement to earn 50% interest in the Ralleau Property, wherein the final payment was made on March 22, 2021.

In order to acquire the 50% interest in the Ralleau Property, the Company is required to pay \$75,000 and issue 1,700,000 common shares of the Company as follows:

- (i) \$5,000 on or before the execution of this agreement (paid);
- (ii) \$5,000 and issue 600,000 common shares on the earlier of the exchange listing date or August 31, 2018 (paid and issued);
- (iii) \$5,000 and issue 200,000 common shares on or before April 5, 2018 (paid and issued);
- (iv) \$10,000 and issue 400,000 common shares on or before April 5, 2019 (paid and issued);
- (v) Issue 500,000 common shares on or before April 5, 2020 (issued); and
- (vi) \$50,000 on or before March 31, 2021 (paid).

In addition, the Company is required to incur a minimum of \$250,000 of exploration expenditures on the Ralleau 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 April 5, 2019 (incurred); and
- (v) \$120,000 on or before April 5, 2020 (incurred).

DEEPROCK MINERALS INC.

Notes to the Financial Statements

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(Expressed in Canadian dollars)

Golden Gate Property

On June 24, 2019, the Company entered into an option agreement with George Willett (“Optionor”) to acquire a 100% interest in 13 mineral claims situated in Gloucester County, Bathurst Mining Division, New Brunswick (the “Golden Gate Property”). In order to acquire the 100% interest, the Company is required to pay \$170,000, issue 200,000 common shares of the Company, and incur \$220,000 in exploration expenditures as follows:

Cash and share payments:

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

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 (incurred);
- b) \$90,000 in accumulated exploration expenditure on or before August 22, 2021 (incurred);
- 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.

On December 22, 2020, the Company and the Optionor agreed to restructure the payment originally due on August 22, 2020 for \$33,000, of which \$11,000 was due prior to December 31, 2020 (paid), \$11,000 was due on or before January 31, 2021 (paid), and \$11,000 was due on or before March 1, 2021 (paid).

The option agreement is subject to a 2% net smelter return (“NSR”), of which the Company can purchase 1% of NSR for \$500,000.

Romanium Property

On November 18, 2020, the Company entered into a purchase and sale agreement with S.C. Romanium Metal SRL (“Seller”) a Romanian company to acquire a 100% interest in a 7.641 square kilometre land package situated in the Apuseni mountains of western Romania’s Bihor county (“Romanium Property”). In order to acquire the 100% interest, the Company is required to pay \$300,000 in cash, issue 15,000,000 common shares of the Company and pay a 2% Net Smelter Returns royalty, (“NSR”) to the Seller as follows:

Cash payments as follows:

- \$150,000 within 10 days of the agreement (\$10,000 was paid on or before November 30, 2020 and the balance of \$140,000 was paid subsequent to November 30, 2020.);
- Issue 15,000,000 common shares upon execution of the agreement (issued);
- The balance of \$150,000 in cash by the 10th business day following the closing of an equity financing of at least \$250,000 in gross proceeds (paid).

In the event that the Company is able to establish or prove, in accordance with the National Instrument 43-101, one million tonnes of mineral resources in the “Inferred” category in the Romanium Property, the Company will issue an additional 10,000,000 common shares to the Seller.

The agreement is subject to a 2% NSR royalty with the option of the Company to purchase half of the NSR royalty from the Seller for \$1,000,000.

DEEPROCK MINERALS INC.

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(Expressed in Canadian dollars)

4. SHARE CAPITAL

Authorized: 500,000,000 common shares without par value.

Shares issued during the six months ended May 31, 2021:

- (a) On January 26, 2021, the Company issued 15,000,000 common shares pursuant to the property agreement on the Romanium property (Refer to Note 3).
- (b) On February 4, 2021, the Company issued 14,000,000 common shares pursuant to a private equity placement at \$0.05 per share for proceeds of \$700,000.
- (c) On December 23, 2020, the Company issued 200,000 common shares at \$0.05 per share for proceeds of \$10,000 from Agent's warrants exercised.

Shares issued during the year ended November 30, 2020:

- (d) On April 23, 2020, the Company issued 800,000 common shares with a fair value of \$12,000 pursuant to an option payment on the Ralleau Property. (Refer to Note 3).
- (e) On November 24, 2020, the Company issued 7,000,000 common shares pursuant to a private equity placement at \$0.03 per share for proceeds of \$210,000.

Share Purchase Warrants

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

	Number of warrants	Weighted average exercise price \$
Balance, November 30, 2019	4,505,500	0.10
Expired	(1,361,500)	0.10
Balance, November 30, 2020	3,144,000	0.10
Issued	14,000,000	0.06
Expired	(3,144,000)	0.10
Balance, May 31, 2021	14,000,000	0.06

On December 27, 2020, 3,144,000 share purchase warrants expired unexercised.

On February 4, 2021, in connection with its private placement, the Company issued 14,000,000 share purchase warrants, which are exercisable at \$0.06 per share expiring on February 3, 2023.

As at May 31, 2021, there were 14,000,000 share purchase warrants outstanding.

DEEPROCK MINERALS INC.**Notes to the Financial Statements**

Six Months Ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

Agent's Warrants

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

	Number of warrants	Weighted average exercise price \$
Balance, November 30, 2019	1,251,100	0.07
Exercised	-	-
Expired	(622,300)	0.06
Balance, November 30, 2020	628,800	0.05
Exercised	(200,000)	0.05
Expired	(428,800)	0.05
Balance, May 31, 2021	-	-

On December 23, 2020, the Company issued 200,000 common shares at \$0.05 per share for proceeds of \$10,000 from Agent's warrants exercised.

On December 27, 2020, 428,800 agent's warrants expired and as at May 31, 2021, there were no agent's warrants outstanding.

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 10 years from the date of grant. Vesting terms will be determined at the time of grant by the Board of Directors.

	Number of options	Weighted average exercise price \$
Outstanding, November 30, 2019	375,000	0.10
Cancelled	(125,000)	0.10
Outstanding, November 30, 2020	250,000	0.10
Cancelled	-	-
Expired	(125,000)	0.10
Outstanding, May 31, 2021	125,000	0.10

DEEPROCK MINERALS INC.

Notes to the Financial Statements

Six Months Ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

Additional information regarding stock options outstanding as at May 31, 2021, is as follows:

Range of exercise prices \$	Outstanding and exercisable		
	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price \$
0.10	125,000	2.46	0.10

5. Related Party Transactions

- (a) During the six months ended May 31, 2021, the Company incurred \$18,000 (2020 - nil) of consulting fees to a company controlled by the Chief Executive Officer ("CEO") of the Company.
- (b) During the six months ended May 31, 2021, the Company incurred \$12,500 (2020 - nil) of consulting fees to the Chief Financial Officer ("CFO") of the Company and is included in amounts owed to related parties at May 31, 2021.
- (c) During the six months ended May 31, 2021, the Company incurred \$9,000 (2020 - \$54,000) of consulting fees to a company controlled by a Director of the Company. Also, during the six months ended May 31, 2021, the Company paid \$135,037 to this aforementioned company which was included in accounts payable at November 30, 2020.
- (d) During the six months ended May 31, 2021, the Company incurred nil (2020 - \$24,000) of consulting fees to a company controlled by the former CEO of the Company. Also, during the six months ended May 31, 2021, the Company paid \$131,523 to this aforementioned company which was included in accounts payable at November 30, 2020.
- (e) During the six months ended May 31, 2021, the Company incurred \$7,600 (2020 - \$6,000) of consulting fees to the former CFO of the Company. Also, during the six months ended May 31, 2021, the Company paid \$8,109 to the former CFO which was included in accounts payable at November 30, 2020.
- (f) During the six months ended May 31, 2021, the Company paid \$16,533 to a company controlled by a former CFO of the Company which was included in accounts payable at November 30, 2020.
- (g) During the six months ended May 31, 2021, the Company paid \$45,000 to a company controlled by the common law spouse of the former CEO of the Company which was included in accounts payable at November 30, 2020.

6. Capital Management

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of cash and equity comprised of issued share capital and share-based payment reserve.

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management remains unchanged from the year ended November 30, 2020.

DEEPROCK MINERALS INC.

Notes to the Financial Statements

Six Months Ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

7. Financial Instruments and Risk Management

Fair Values

Fair value measurements are classified using a fair value hierarchy that reflects the significance of 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).

The fair values of financial instruments, which include cash, accounts payable, accrued liabilities, and loan payable, approximate their carrying values due to the relatively short-term maturity of these instruments.

Credit Risk

Credit risk is the risk of potential loss to the Company if a counterparty to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets including cash. The Company limits its exposure to credit risk by only investing cash with high-credit quality financial institutions. The carrying amount of these financial assets represents the maximum credit exposure.

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 currently settles its financial obligations out of cash. The ability to do this relies on the Company raising debt or equity financing in a timely manner and by maintaining sufficient cash in excess of anticipated needs.

Foreign Exchange Rate Risk

The Company is not currently exposed to foreign exchange rate risk.

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 not exposed to significant interest rate risk as it does not have any liabilities with variable rates.

Price Risk

The Company is exposed to price risk with respect to commodity prices. The Company's ability to raise capital to fund exploration and development activities is subject to risks associated with fluctuations in the market price of commodities.

DEEPROCK MINERALS INC.**Notes to the Financial Statements**

Six Months Ended May 31, 2021 and 2020

(Expressed in Canadian dollars)

8. Segmented Information

The Company operates in the mineral exploration and development industry and has two geographic segments, being Canada and Romania.

May 31, 2021

	Canada \$	Romania \$	Total \$
Exploration and evaluation assets	226,000	300,000	526,000

November 30, 2020

	Canada \$	Romania \$	Total \$
Exploration and evaluation assets	143,000	10,000	153,000