DEEPROCK MINERALS INC.

Financial Statements

For the Years Ended November 30, 2022 and 2021

(Expressed in Canadian dollars)

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of DeepRock Minerals Inc.

We have audited the financial statements of DeepRock Minerals Inc. (the "Company"), which comprise the statement of financial position as at November 30, 2022 and 2021, and the statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2022 and 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements, which indicates that the Company has not generated any revenues and incurred negative cash flow of $488,470 from operations during the year ended November 30, 2022 and, as of that date, the Company has a working capital deficit of $180,573, and an accumulated deficit of $4,765,259. As stated in Note 1 of the financial statements, these events or conditions along with other matters, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

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

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

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

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

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

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

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

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

The engagement partner on the audit resulting in this independent auditor’s report is Henry Chow.

Saturna Group LLP

Saturna Group Chartered Professional Accountants LLP

Vancouver, Canada

March 30, 2023

DEEPROCK MINERALS INC.
Statements of Financial Position
(Expressed in Canadian dollars)

	November 30, 2022 $	November 30, 2021 $
Assets		
Current		
Cash	97,074	11,869
Amounts receivable	50,444	31,493
Total Current Assets	147,518	43,362
Exploration and evaluation assets (Note 3)	331,000	1,876,000
Total Assets	478,518	1,919,362
Liabilities		
Current		
Accounts payable and accrued liabilities (Note 8)	319,441	237,149
Loan payable (Note 4)	8,650	8,650
Total Liabilities	328,091	245,799
Shareholders' Equity		
Share capital (Note 5)	3,809,492	3,729,780
Share-based payment reserve (Note 5)	578,194	532,231
Share subscriptions received (Note 5)	528,000	-
Deficit	(4,765,259)	(2,588,448)
Total Shareholders' Equity	150,427	1,673,563
Total Liabilities and Shareholders' Equity	478,518	1,919,362

Nature and Continuing Operations (Note 1)
Subsequent Events (Note 13)

Approved and authorized for issue by the Board of Directors on March 30, 2023:

"Andrew Lee"
Andrew Lee, Director

"Richard Shatto"
Richard Shatto, Director

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

(Expressed in Canadian dollars)

	For the year ended November 30, 2022 $	2021 $
Administrative and operating expenses		
Consulting fees (Note 8)	302,121	431,751
Exploration expenditures (Note 3)	142,137	36,630
Impairment of exploration and evaluation assets (Note 3)	1,625,000	-
Investor relations	34,685	42,449
Office and miscellaneous	2,383	2,216
Professional fees	15,153	11,576
Rent (Note 8)	12,000	11,952
Share-based compensation (Note 7)	-	386,045
Transfer agent and filing fees	18,066	23,359
Travel	25,266	9,486
Total administrative and operating expenses	2,176,811	955,464
Net loss and comprehensive loss	(2,176,811)	(955,464)
Basic and diluted net loss per common share	(0.03)	(0.02)
Weighted average number of common shares outstanding	76,936,512	62,027,224

DEEPROCK MINERALS INC.
Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in Canadian dollars)

	Number of Shares #	Share Capital $	Share - based payment reserve $	Share Subscriptions Receivable $	Deficit $	Total Shareholders' Equity (Deficit) $
Balance, November 30, 2020	32,545,580	1,310,772	150,194	(172,500)	(1,632,984)	(344,518)
Share subscriptions received	–	–	–	172,500	–	172,500
Shares issued for cash	26,800,000	1,340,000	–	–	–	1,340,000
Shares issued for exploration and evaluation asset	15,000,000	1,050,000	–	–	–	1,050,000
Shares issued pursuant to exercise of agent's warrants	200,000	14,008	(4,008)	–	–	10,000
Shares issued for services	300,000	15,000	–	–	–	15,000
Share-based compensation	–	–	386,045	–	–	386,045
Net loss for the year	–	–	–	–	(955,464)	(955,464)
Balance, November 30, 2021	74,845,580	3,729,780	532,231	–	(2,588,448)	1,673,563
Flow-through units issued for cash	2,285,000	79,712	45,963	–	–	125,675
Share subscriptions received	–	–	–	528,000	–	528,000
Net loss for the year	–	–	–	–	(2,176,811)	(2,176,811)
Balance, November 30, 2022	77,130,580	3,809,492	578,194	528,000	(4,765,259)	150,427

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

(Expressed in Canadian dollars)

	For the year ended November 30, 2022	2021
	$	$
Operating activities		
Net loss	(2,176,811)	(955,464)
Adjustment for non-cash items:		
Impairment of exploration and evaluation assets	1,625,000	-
Share-based compensation	-	386,045
Shares issued for services	-	15,000
Change in non-cash working capital components:		
Amounts receivable	(18,951)	(20,821)
Accounts payable and accrued liabilities	82,292	(291,965)
Net cash used in operating activities	(488,470)	(867,205)
Investing activities:		
Exploration and evaluation asset costs	(80,000)	(673,000)
Net cash used in investing activities	(80,000)	(673,000)
Financing activities		
Proceeds from exercise of agent's warrants	-	10,000
Proceeds from issuance of shares	125,675	1,512,500
Share subscriptions received	528,000	-
Net cash provided by financing activities	653,675	1,522,500
Change in cash	85,205	(17,705)
Cash, beginning of the year	11,869	29,574
Cash, end of the year	97,074	11,869
Non-cash investing and financing activities:		
Shares issued for exploration and evaluation assets	-	1,050,000
Transfer of fair value of warrants to share capital upon exercise	-	4,008

1. Nature of Business and Continuing Operations

1020647 B.C. Ltd. (the "Company" or "DeepRock") 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 year ended November 30, 2022, the Company has not generated any revenues and has incurred negative cash flow of $488,470 from operations. As at November 30, 2022, the Company has a working capital deficit of $180,573 and an accumulated deficit of $4,765,259. 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 significant 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. 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.

These financial statements were approved and authorized for issuance by the Company's Board of Directors on March 30, 2023.

(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.

Significant areas requiring the use of estimates include the recoverability of exploration and evaluation assets, fair value of share-based payments, and unrecognized deferred income tax assets.

2. Significant Accounting Policies (continued)

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) Exploration and evaluation expenditures

The Company records its interests in mineral properties and areas of geological interest at cost. All direct and indirect costs related to the acquisition of these interests are capitalized on the basis of specific claim blocks or areas of geological interest until the properties to which they relate are placed into production, sold, or management has determined there to be an impairment in value. These costs will be depleted using the unit-of-production method based on the estimated proven and probable reserves available on the related property following commencement of production.

The amounts shown for mineral properties represent costs, net of write-offs, option proceeds and recoveries, and do not necessarily reflect present or future value. Recoverability of these amounts will depend upon the existence of economically recoverable reserves, the ability of the Company to obtain financing necessary to complete development, and future profitable production. The Company reviews the carrying values of mineral properties when there are any events or change in circumstances that may indicate impairment. Where estimates of future cash flows are available, an impairment charge is recorded if the estimated undiscounted future net cash flows expected to be generated by the property is less than the carrying amount. An impairment charge is recognized by the amount by which the carrying amount of the property exceeds the fair value of the property exceeds the fair value of the property.

(d) Mineral exploration and development costs

Exploration costs are charged to operations as incurred. When it has been established that a mineral deposit is commercially mineable and a decision has been made to formulate a mining plan (which occurs upon completion of a positive economic analysis of the mineral deposit), the costs subsequently incurred to develop the mine on the property prior to the start of the mining operations are capitalized.

(e) Reclamation and remediation provisions

The Company recognizes a provision for statutory, contractual, constructive, or legal obligations associated with decommissioning of mining operations and reclamation and rehabilitation costs arising when environmental disturbance is caused by the exploration or development of mineral properties, plant, and equipment. Provisions for site closure and reclamation are recognized in the period in which the obligation is incurred or acquired, and are measured based on expected future cash flows to settle the obligation, discounted to their present value. The discount rate used is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability including risks specific to the countries in which the related operation is located.

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in exploration and evaluation assets. These costs are depleted using either the unit of production or straight-line method depending on the asset to which the obligation relates.

2. Significant Accounting Policies (continued)

The obligation is increased for the accretion and the corresponding amount is recognized as a finance expense. The obligation is also adjusted for changes in the estimated timing, amount of expected future cash flows, and changes in the discount rate. Such changes in estimates are added to or deducted from the related asset except where deductions are greater than the carrying value of the related asset in which case, the amount of the excess is recognized in the statement of operations.

Due to uncertainties concerning environmental remediation, the ultimate cost to the Company of future site restoration could differ from the amounts provided. The estimate of the total provision for future site closure and reclamation costs is subject to change based on amendments to laws and regulations, changes in technology, price increases, changes in interest rates, and as new information concerning the Company's closure and reclamation obligations becomes available.

(f) Financial instruments

Classification and measurement – initial recognition

On initial recognition, all financial assets and liabilities are classified and recorded at fair value, net of attributable transaction costs, except for financial assets and liabilities classified as at fair value through profit or loss ("FVTPL").

Classification and measurement – subsequent to initial recognition

Subsequent measurement of financial assets and liabilities depends on their classification and measurement basis.

Financial Assets

Subsequent to initial recognition, financial assets are measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss, depending on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset shall be measured at fair value through other comprehensive income if both of the following conditions are met:

a) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that do not meet the above conditions are classified as fair value through profit or loss. The Company's cash is measured at amortized cost.

Financial Liabilities

Subsequent to initial recognition, financial liabilities are measured at amortized cost, unless designated as fair value through profit or loss. The Company's accounts payable and accrued liabilities and loan payable are measured at amortized cost.

Impairment of Financial Assets

The Company applies the ECL model to its financial assets measured at amortized cost. Under the ECL model, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and

2. Significant Accounting Policies (continued)

- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

Upon recognition of a financial asset, 12-month ECLs are recognized in the statement of operations and a loss allowance is established. At each reporting date, if the credit risk associated with a financial asset has increased significantly and is not considered low, lifetime ECLs are recognized in the statement of operations.

(g) Income taxes

Current income tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in the statement of operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the statement of financial position method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. The carrying amount of deferred income tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable income will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

(h) Foreign currency translation

The functional and reporting currency is the Canadian dollar. Transactions denominated in foreign currencies are translated using the exchange rate in effect on the transaction date or at an average rate. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange in effect at the statement of financial position date. Non-monetary items are translated using the historical rate on the date of the transaction. Foreign exchange gains and losses are included in the statement of operations.

(i) Share-based payments

The grant date fair value of share-based payment awards granted to employees is recognized as share-based compensation expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that do meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where equity instruments are granted to parties other than employees, they are recorded by reference to the fair value of the services received. If the fair value of the services received cannot be reliably estimated, the Company measures the services received by reference to the fair value of

(Expressed in Canadian dollars)

2. Significant Accounting Policies (continued)

the equity instruments granted, measured at the date the counterparty renders service.

All equity-settled share-based payments are reflected in share-based payment reserve, unless exercised. Upon exercise, shares are issued from treasury and the amount reflected in share-based payment reserve is credited to share capital, adjusted for any consideration paid.

(j) Flow-through shares

The resource expenditure deductions for income tax purposes related to exploration and development activities funded by flow-through share arrangements are renounced to investors in accordance with Canadian tax legislation. On issuance, the premium recorded on the flow-through share, being the difference in price over a common share with no tax attributes, is recognized as a liability. As expenditures are incurred, the deferred income tax liability associated with the renounced tax deductions is recognized through the statement of operations with a pro-rata portion of the deferred premium.

(k) Loss per share

The Company presents basic and diluted loss per share data for its common shares, calculated by dividing the loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year. Diluted loss per share does not adjust the loss attributable to common shareholders or the weighted average number of common shares outstanding when the effect is anti-dilutive. As at November 30, 2022, the Company had 34,385,000 (2021 – 32,100,000) potentially dilutive shares.

(l) Recent accounting pronouncements

Certain pronouncements have been issued by the IASB, or the IFRS Interpretations Committee that are not mandatory for the current period and have not been early adopted. Management has assessed that there are no future accounting pronouncements that are expected to have a material impact on the Company in the current or future reporting periods.

3. Exploration and Evaluation Assets

	Ralleau Property $	Golden Gate Property $	Romanium Property $	Dragon Valley Property $	Lugar Property $	Total $
Acquisition costs:						
Balance, November 30, 2020	137,000	6,000	10,000	–	–	153,000
Additions	50,000	53,000	1,340,000	275,000	5,000	1,723,000
Balance, November 30, 2021	187,000	59,000	1,350,000	275,000	5,000	1,876,000
Additions	-	70,000	-	-	10,000	80,000
Impairment	-	-	(1,350,000)	(275,000)	-	(1,625,000)
Balance, November 30, 2022	187,000	129,000	-	-	15,000	331,000

The Lugar property is shown separately for acquisition purposes. However, it is combined with the Golden Gate Property for purposes of presenting exploration expenditures.

(Expressed in Canadian dollars)

3. Exploration and Evaluation Assets (continued)

Exploration expenditures

	Ralleau Property $	Golden Gate and Lugar Properties $	Romanium Property $	Total $
Balance, November 30,2020	391,664	93,151	–	484,815
Assays	–	–	8,282	8,282
Geological	735	26,093	1,520	28,348
Exploration expenditures for the year	735	26,093	9,802	36,630
Balance, November 30, 2021	392,399	119,244	9,802	521,445
Geological	–	142,137	–	142,137
Exploration expenditures for the year	–	142,137	–	142,137
Balance, November 30, 2022	392,399	261,381	9,802	663,582

Ralleau Property

On April 5, 2017 (as amended on March 15, 2018, June 30, 2018, April 20, 2020, and March 12, 2021), the Company entered into an option agreement with Madoro Metals Corp (formerly Megastar Development Corp.) ("Madoro"), whereby Madoro 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 Madoro.

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:

- $5,000 on or before the execution of this agreement (paid);
- $5,000 and issue 600,000 common shares on the earlier of the exchange listing date or August 31, 2018 (paid and issued);
- $5,000 and issue 200,000 common shares on or before April 5, 2018 (paid and issued);
- $10,000 and issue 400,000 common shares on or before April 5, 2019 (paid and issued);
- Issue 500,000 common shares on or before April 23, 2020 (issued); and
- $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:

- $40,000 on or before May 30, 2017 (incurred);
- $15,000 on or before July 31, 2017 (incurred);
- $25,000 on or before October 31, 2018 (incurred);
- $50,000 on or before April 5, 2019 (incurred);
- and $120,000 on or before April 5, 2020 (incurred).

3. Exploration and Evaluation Assets (continued)

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:

- Issue 200,000 common shares within 15 days of the approval of the agreement (issued);
- Pay $30,000 on or before August 22, 2020 (paid);
- Pay $40,000 on or before August 22, 2021 (paid)
- Pay $50,000 on or before August 22, 2022; (paid) and
- 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:

- $40,000 in accumulated exploration expenditure on or before August 22, 2020 (incurred);
- $90,000 in accumulated exploration expenditure on or before August 22, 2021 (incurred);
- $150,000 in accumulated exploration expenditure on or before August 22, 2022; and
- $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 ("Romanium Metal") a Romanian company to acquire a 100% interest in a 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 Romanium Metals 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 Romanium Metals.

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

As at November 30, 2022, a full impairment loss on the capitalized costs has been recorded as the Company has not received permits for exploration, has not budgeted for any future exploration, and is uncertain as to whether future exploration on the property will be performed.

3. Exploration and Evaluation Assets (continued)

Dragon Valley Property

On August 31, 2021 the Company entered into an agreement with Augustine Trading Professionals SRL ("Augustine") to acquire 100% interest in a exploration property located in Romania's northern Apuseni Mountains, approximately 5 km NE from the Company's Romanium Property.

The Company is required to:

- Make a cash payment of $275,000 on signing (paid); and
- Issue 9,000,000 common shares when the exploration license is granted to the Company;

The Company will issue an additional 9,000,000 common shares to Augustine upon the acceptance for filing of an independent resource estimate of no less than 1,000,000 ounces of gold with a minimum cut-off grade of 1 gpt in accordance with NI 43-101. The agreement is subject to a 2% NSR royalty with the option of the Company to purchase 1% of the NSR for $1,000,000.

As at November 30, 2022, a full impairment loss on the capitalized costs has been recorded as the Company has not received permits for exploration, has not budgeted for any future exploration, and is uncertain as to whether future exploration on the property will be performed.

Lugar Property

On July 22, 2021, the Company entered into an option agreement with Gerard Roy and Rose Hannan to acquire a 100% interest in the Lugar Property, a mineral claim package comprising 112 contiguous claim blocks that adjoin and surround the northern border of the Company's Golden Gate Project.

The Company's option to acquire a 100% right, title and ownership interest in the Property over a 4-year period consist of cash payments of $120,000, and minimum accumulative expenditures of $225,000 in exploration work in accordance with the following schedule:

- Pay $5,000 within 5 days of the agreement's execution date (paid);
- Pay $10,000 (paid) and incur minimum expenditures of $25,000 by the first anniversary;
- Pay $25,000 and incur minimum expenditures of $25,000 by the second anniversary;
- Pay $35,000 and incur minimum expenditures of $75,000 by the third anniversary; and
- Pay $45,000 and incur minimum expenditures of $100,000 by the fourth anniversary.

The vendor retains a 1.25% NSR and the Company has an option to purchase 0.5% of the NSR for $1,000,000. The Company has the option to purchase the remaining 0.75% of NSR at any time from the vendor at an agreed upon price.

4. Loan Payable

As at November 30, 2022, the Company owes $8,650 (2021 - $8,650) to a non-related party which is non-interest bearing, unsecured, and due on demand.

5. Share Capital

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

Shares issued during the year ended November 30, 2022:

(a) On December 31, 2021, the Company issued 2,285,000 flow-through units of the Company at $0.055 per unit for proceeds of $125,675. Each flow-through unit consisted of one flow-through common share and one warrant which entitles the holder to purchase and additional (non-flow-through) common share at $0.07 per share expiring on December 31, 2023. The fair value of the warrants was $45,963 and was calculated using the Black-Scholes option pricing model assuming volatility of 148%, expected life of 2 years, risk free rate of 0.97%, and no expected dividends. As a result of the bi-furcation of the flow-through unit value between the common share and the warrant, there was no flow-through share premium associated with the flow-through units.

(Expressed in Canadian dollars)

5. Share Capital (continued)

(b) As at November 30, 2022, the Company received subscription proceeds of $528,000 relating to a private placement offering that closed in January 2023. Refer to Note 13.

Shares issued during the year ended November 30, 2021:

(c) On December 23, 2020, the Company issued 200,000 common shares at $0.05 per share for proceeds of $10,000 pursuant to the exercise of agent's warrants.

(d) On January 26, 2021, the Company issued 15,000,000 common shares with a fair value of $1,050,000 pursuant to the acquisition of the Romanium Property. Refer to Note 3.

(e) On February 4, 2021, the Company issued 14,000,000 units pursuant to a private placement at $0.05 per unit for proceeds of $700,000. Each unit consisted of one common share and one common share purchase warrant with an exercise price of $0.06 per share expiring on February 4, 2023.

(f) On July 9, 2021, the Company issued 12,800,000 units at $0.05 per unit pursuant to a private placement for proceeds of $640,000 and 300,000 units at $0.05 per unit for services with a fair value of $15,000. Each unit consisted of one common share and one common share purchase warrant with an exercise price of $0.06 per share expiring on July 9, 2023.

6. 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, 2020	3,144,000	0.10
Issued	27,100,000	0.06
Expired	(3,144,000)	0.10
Balance, November 30, 2021	27,100,000	0.06
Issued	2,285,000	0.07
Balance, November 30, 2022	29,385,000	0.06

As at November 30, 2022, the following share purchase warrants were outstanding:

Number of warrants	Number of years remaining	Exercise price	Expiry date
14,000,000	1.18	$0.06	February 4, 2024 (refer to Note 13))
13,100,000	0.61	$0.06	July 9, 2023
2,285,000	1.08	$0.07	December 31, 2023
29,385,000	0.92	$0.06	

(Expressed in Canadian dollars)

7. 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.

On June 18, 2021, the Company granted 5,000,000 stock options to officers and directors, exercisable at $0.10 per share expiring on June 18, 2026. The fair value of the stock options granted was $386,045 and was valued using the Black-Scholes option pricing model using the following parameters: risk free rate of 0.45%, expected life of 2 years, volatility of 303%, and no expected forfeitures or dividends. The weighted average fair value of options granted was $0.08 per share.

A recap of outstanding options as at November 30, 2022 is as follows:

	Number of options	Weighted average exercise price $
Outstanding and exercisable, November 30, 2020	250,000	0.10
Granted	5,000,000	0.10
Cancelled	(250,000)	0.10
Outstanding and exercisable, November 30, 2021 and 2022	5,000,000	0.10

Additional information regarding stock options outstanding as at November 30, 2022, is as follows:

	Outstanding and exercisable		
Range of exercise prices $	Number of options	Weighted average remaining contractual life (years)	Weighted average exercise price $
0.10	5,000,000	1.6	0.10

8. Related Party Balances and Transactions

As at November 30, 2022 and 2021, the following amounts due to related parties were included in accounts payable and accrued liabilities:

	2022 $	2021 $
Owing to a company controlled by the Chief Executive Officer ("CEO")	16,767	18,100
Owing to a company controlled by the Chief Financial Officer ("CFO")	12,000	6,300
Owing to a company controlled by a director	6,000	-
Total owing to related parties	34,767	24,400

(Expressed in Canadian dollars)

8. Related Party Balances and Transactions (continued)

During the years ended November 30, 2022 and 2021, the Company incurred the following transactions with related parties:

	2022 $	2021 $
Consulting fees to a company controlled by the CEO	60,000	46,000
Consulting fees to a company controlled by the current CFO	42,000	6,000
Consulting fees to the former CFO	-	15,000
Consulting fees to a company controlled by a director	7,500	15,000
Rent to a company controlled by the CEO	12,000	11,000
Total expenses for related parties	121,500	93,000

9. 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, 2021.

10. 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 and 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.

(Expressed in Canadian dollars)

10. Financial Instruments and Risk Management (continued)

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.

11. Segmented Information

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

November 30, 2022

	Canada $	Romania $	Total $
Exploration and evaluation assets	331,000	-	331,000

November 30, 2021

	Canada $	Romania $	Total $
Exploration and evaluation assets	251,000	1,625,000	1,876,000

12. Income Taxes

The tax effect (computed by applying the Canadian federal and provincial statutory rates) of the significant temporary differences, which comprise of deferred income tax assets and liabilities, are as follows:

	2022 $	2021 $
Canadian statutory income tax rate	27%	27%
Income tax recovery at statutory rate	(588,000)	(258,000)
Tax effect of:		
Permanent differences and other	(35,000)	104,000
True up of prior year differences	–	(71,000)
Change in unrecognized deferred income tax assets	623,000	225,000
Income tax provision	–	–

(Expressed in Canadian dollars)

12. Income Taxes (continued)

The significant components of deferred income tax assets and liabilities are as follows:

	2022 $	2021 $
Deferred income tax assets		
Non-capital losses carried forward	595,000	444,000
Share issuance costs	3,000	9,000
Exploration and evaluation assets	617,000	139,000
Total gross deferred income tax assets	1,215,000	592,000
Unrecognized deferred income tax assets	(1,215,000)	(592,000)
Net deferred income tax asset	–	–

As at November 30, 2021, the Company has non-capital losses carried forward of $2,202,224 which are available to offset future years' taxable income. These losses expire as follows:

	$
2035	6,881
2036	11,024
2037	135,356
2038	258,519
2039	484,642
2040	305,612
2041	561,660
2042	438,530
	2,202,224

The Company also has available mineral resource related expenditure pools totalling $2,617,305, which may be deducted against future taxable income on a discretionary basis.

13. Subsequent Events

(a) On January 19, 2023, the Company closed a non-brokered financing by issuing 13,210,000 units at a price of $0.05 per unit for proceeds of $660,500, of which $528,000 was received as at November 30, 2022. Each unit consisted of one common share and one share purchase warrant, with each share purchase warrant entitling the holder to purchase on share at a price of $0.06 per share expiring on January 19, 2025.

(b) On January 20, 2023, the Company extended the expiry date of 14,000,000 share purchase warrants from February 4, 2023 to February 4, 2024. Each share purchase warrant entitles the holder to acquire one common share of the Company at a price of $0.06 per common share.

(c) On February 9, 2023 the Company announced it has entered into an option agreement with BHBC Eploracao Mineral Ltda ("BHBC") and RTB Geologia E Mineracao Ltda, two companies incorporated under the laws of Brazil, to acquire a 100% interest in the Esperanca Lithium Property for $25,000 and issuance of 100,000 common shares of the Company due within 5 days of the agreement; $3,300 due by June 30, 2023 to cover mineral right taxes of BHBC; and incur $100,000 of exploration expenditures, pay an additional $25,000, and issue an additional 100,000 common shares of the Company by September 20, 2023. As part of this agreement, the Company paid a finder's fee of $5,000. BHBC retains a 2% net smelter return royalty ("NSR"), for which the Company can purchase 1% of NSR for $500,000 within two years from the commencement of commercial production.