

EEE EXPLORATION CORP.

Condensed Interim Financial Statements

Three months ended October 31, 2021

Expressed in Canadian dollars - Unaudited

NOTICE OF NO AUDITOR REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), 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 of the Company 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 in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of condensed interim financial statements by the entity's auditor.

EEE EXPLORATION CORP.

Condensed Interim Financial Statements
(Expressed in Canadian dollars)

	Note	October 31, 2021	July 31, 2021
		\$	\$
Assets			
Current assets and total assets			
Cash		373,535	444,667
Prepays		9,596	12,999
Receivable		7,149	4,629
Total current assets		390,280	462,295
Non-current assets			
Exploration and valuation assets	3	202,872	177,040
Total non-current assets		202,872	177,040
Total assets		593,152	639,335
Liabilities and shareholders' deficit			
Current liabilities			
Accounts payable		6,928	16,493
Accrued liabilities		13,775	7,000
Due to related party	7	570	-
Flow through share liability	4,8	63,078	71,465
Total current liabilities		84,351	94,958
Shareholders' equity (deficit)			
Share capital	4	788,270	788,270
Reserve	4	223,227	223,227
Deficit		(502,696)	(467,120)
Total shareholders' equity (deficit)		508,801	544,377
Total liabilities and shareholders' equity (deficit)		593,152	639,335

Nature and continuance of operations (Note 1)

Approved on behalf of the Board:

"Chris Cooper"

Chris Cooper, Director

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

EEE EXPLORATION CORP.

Condensed Statements of Comprehensive Loss
(Expressed in Canadian dollars - Unaudited)

	Note	Three Months Ended July 31, 2021 \$	Three Months Ended July 31, 2020 \$
Administrative expenses			
General and administrative	7	11,810	3,009
Consulting		9,000	9,000
Transfer agent and filing fees		5,931	2,411
Management fees	7	9,000	8,250
Legal and accounting		8,222	17,491
Other		(43,963)	(40,161)
Reversal of flow-through share liability	8	8,387	-
Net and comprehensive loss		(35,576)	(40,161)
Weighted average number of outstanding shares		18,361,215	9,349,245
Basic and diluted loss per share		0.00	0.00

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

EEE EXPLORATION CORP.

Condensed Statements of Changes in Shareholders' Equity (Deficit)
(Expressed in Canadian dollars - Unaudited)

	Share capital		Subscriptions received in advance	Reserve	Deficit	Total shareholders' equity (deficit)
	Number	Amount				
		\$	\$	\$	\$	\$
Balance, July 31, 2020	5,010,549	121,000	21,000	-	(185,023)	(43,023)
Shares issued (Note 4)	5,870,000	293,500	(21,000)	-	-	272,500
Shares issued for evaluation and exploration asset (Notes 3, 4)	500,000	25,000	-	-	-	25,000
Net and comprehensive loss					(40,161)	(40,161)
Balance, October 31, 2020	11,380,549	439,500	-	-	(225,184)	214,316
Shares issued (Note 4)	6,880,666	451,300	-	129,500	-	580,800
Share issuance costs (Note 4)		(15,263)	-	-	-	(15,263)
Shares issued for evaluation and exploration asset (Notes 3, 4)	100,000	20,000	-	-	-	20,000
Flow-through share premium (Notes 4,8)	-	(107,267)	-	-	-	(107,267)
Share-based compensation (Note 4)	-	-	-	93,727	-	93,727
Net and comprehensive loss	-	-	-	-	(241,936)	(241,936)
Balance, July 31, 2021	18,361,215	788,270	-	223,227	(467,120)	544,377
Net and comprehensive loss	-	-	-	-	(35,576)	(35,576)
Balance, October 31, 2021	18,361,215	788,270	-	223,227	(502,696)	(508,801)

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

EEE EXPLORATION CORP.

Condensed Statements of Cash Flows

(Expressed in Canadian dollars - Unaudited)

	Three Months Ended October 31, 2021	Three Months ended October 31, 2020
	\$	\$
Cash provided by (used in):		
Operating activities		
Net loss	(35,576)	(40,161)
Adjustment for non-cash item		
Reversal of flow-through share liability	(8,387)	-
Changes in non-cash working capital items		
Prepays	(2,520)	-
Accounts receivable	3,403	-
Accounts payable	(9,565)	(34,927)
Accrued liabilities	6,775	30,137
Due to related party	570	(22,575)
Cash used in operating activities	(45,300)	(67,526)
Financing activities		
Related party loans repayment	-	(2,809)
Proceeds from issuance of shares	-	272,500
Cash provided by financing activities	-	269,691
Investing activities		
Exploration and evaluation assets	(25,832)	(1,500)
Cash used in investing activities	(25,832)	(1,500)
Increase in cash	(71,132)	200,665
Cash, beginning	444,667	15,940
Cash, ending	373,535	216,605
Non-cash transactions:		
Exploration and evaluation assets included in accrued liabilities	-	9,738
Shares issued for exploration and evaluation assets	-	25,000

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

EEE EXPLORATION CORP.

For the three months ended October 31, 2021

(Expressed in Canadian dollars - Unaudited)

1. NATURE AND CONTINUANCE OF OPERATIONS

EEE Exploration Corp. (the "Company") was incorporated on November 11, 2014 under the laws of British Columbia, Canada. On April 15, 2021, the Company changed its name to EEE Exploration Corp. On June 21, 2021, the Company commenced trading on the Canadian Securities Exchange ("CSE") under the trading symbol "EEE". The Company is engaged in the business of mineral exploration. The Company's corporate head office is located at Suite 1910, 1030 West Georgia Street, Vancouver, British Columbia, Canada.

These condensed interim financial statements have been prepared on the basis of accounting principles applicable to a going concern which assumes the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company's continuing operations, and its financial success will be dependent upon the extent to which it can successfully develop its exploration and evaluation assets and whether those assets contain ore reserves that are economically recoverable. The development of the Company's business may take many years to be successful and the amount of resulting income, if any, is difficult to determine with any certainty. On October 31, 2021, the Company had not yet achieved profitable operations, incurred a net loss of \$35,576 (2020: \$40,161) for the three months then ended, had a deficit of \$502,696 (July 31, 2021 - \$467,120), and expects to incur further losses in the development of its business, all of which casts significant doubt about the Company's ability to continue as a going concern.

Since March 2020, several measures have been implemented in Canada and the rest of the world in response to the increased impact from novel coronavirus ("COVID-19"). The Company continues to operate its business at this time. While the impact of COVID-19 is expected to be temporary, the current circumstances are dynamic and the impacts of COVID-19 on business operations, cannot be reasonably estimated at this time. The Company anticipates this could have an adverse impact on its business, results of operations, financial position and cash flows in 2022.

The condensed interim financial statements were approved by the Board of Directors on December 30, 2021.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard ("IAS") 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information and footnote disclosure normally included in annual financial statements prepared in accordance with International Financial Reporting Standards ("IFRS") have been omitted or condensed, and therefore these condensed consolidated interim financial statements should be read in conjunction with the Company's July 31, 2021 audited annual financial statements and the notes to such financial statements.

These condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit and loss or fair value through other comprehensive income, if applicable, which are stated at their fair value. These condensed interim financial statements are presented in Canadian dollars, which is also the Company's functional currency. In addition, these condensed interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Future changes in accounting policies

Accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or are not expected to have a significant impact on the Company's financial statements.

EEE EXPLORATION CORP.

For the three months ended October 31, 2021

(Expressed in Canadian dollars - Unaudited)

3. EXPLORATION AND EVALUATION ASSETS***Golden Moon Property***

On August 31, 2020, the Company entered into a property option agreement ("Option Agreement") where it can acquire up to an 80% interest in the Golden Moon Property (the "Property"), comprised of 10 claims located in the Province of Quebec, by spending \$450,000 on the Property on or before December 31, 2023 or cash payments in lieu thereof and issuing 1,500,000 common shares.

Under the Option Agreement, the Company can earn a 60% interest in 7 claims and an 80% interest in 3 claims by making the following payments: (i) issuance of 500,000 common shares on or before September 10, 2020 (issued)(Note 4); (ii) issuance of an additional 500,000 common shares and commitment expenditure of \$205,000 on or before December 31, 2021; (iii) issuance of an additional 500,000 common shares and cumulative commitment expenditure of \$350,000 on or before December 31, 2022; and (iv) cumulative commitment expenditure of \$450,000 on or before December 31, 2023.

If the Company is unable to purchase an additional 20% interest in the 7 claims from the holders of the 7 claims on or before December 31, 2023, then under the Option Agreement the Company shall have the right to earn an additional 20% interest in the 7 Claims from the Optionor, for a total interest of 80%, by incurring additional exploration expenditures in the amount of \$500,000 on the Property and making a cash payment of \$100,000 to the Optionor on or before December 31, 2024.

Upon successful exercise of the option by the Company, the parties shall negotiate and execute a joint venture agreement whereby the Optionor's remaining interest in the Property shall be converted to a non-contributory carried interest until commencement of commercial production after which, (i) the Optionor's interest shall become participating; and (ii) the Optionor shall pay its attributed portion of the total development and construction costs to commercial production, using 4/5ths of its share of the payments derived from the joint venture.

During the year ended October 31, 2021, the Company incurred acquisition costs of \$29,635 (July 31, 2021 - \$29,635) related to the Golden Moon Property and \$133,237 (July 31, 2021 - \$107,405) in exploration costs for a total of \$162,872 (July 31, 2021 - \$137,040).

NW Abitibi Project

On February 22, 2021, the Company entered into a property option agreement where it can acquire a 100% interest in the NW Abitibi Project, comprised of sixty-three mineral claims located in the Province of Ontario, by spending \$250,000 on the property on or before February 21, 2024 (or cash payments in lieu thereof), issuing 2,000,000 common shares, and making cash payments totaling \$40,000. The Company can earn a 100% interest by making the following payments: (i) issuance of 100,000 common shares and payment of \$20,000 cash on or before March 4, 2021 (issued and paid)(Note 4); (ii) issuance of 300,000 common shares and payment of \$20,000 cash on or before February 22, 2022; (iii) issuance of 600,000 common shares and payment of \$20,000 cash on or before February 22, 2023; and (iv) issuance of 1,000,000 common shares and payment of \$20,000 cash on or before February 21, 2024. As at October 31, 2021, no expenditures have been incurred on this property (July 31, 2021 - \$nil).

EEE EXPLORATION CORP.

For the three months ended October 31, 2021

(Expressed in Canadian dollars - Unaudited)

3. EXPLORATION AND EVALUATION ASSETS (cont'd)

	Golden Moon Property (Quebec, Canada)	NW Abitibi Property (Ontario, Canada)	Total
	\$	\$	\$
Balance, July 31, 2020	-	-	-
Acquisition costs (Note 4)	29,635	40,000	69,635
Exploration costs			
Geological	31,053	-	31,053
Consultants	412	-	412
Drilling	75,940	-	75,940
Total additions	107,405	-	107,405
Balance, July 31, 2021	137,040	40,000	177,040
Exploration costs			
Claim renewals	672	-	672
Consultants	25,160	-	25,160
Total additions	25,832	-	25,832
Balance, October 31, 2021	162,872	40,000	202,872

4. SHARE CAPITAL***Common shares***

The Company has authorized an unlimited number of Class A common shares without par value.

Share Issuances

On July 16, 2021, the Company issued 100,000 Class A common shares with a fair value of \$20,000 pursuant to the property option agreement to acquire up to 100% of the NW Abitibi Project (Note 3).

On November 24, 2020, the Company issued 740,000 units at a price of \$0.10 per unit for gross proceeds of \$74,000. Each unit comprised of one Class A common share of the Company and one Class A common share purchase warrant at an exercise price of \$0.20 for a period of three years. The warrants are valued at \$37,000 using the residual method.

On November 20, 2020, the Company issued 1,850,000 units at a price of \$0.10 per unit for gross proceeds of \$185,000. Each unit comprised of one Class A common share of the Company and one Class A common share purchase warrant at an exercise price of \$0.20 for a period of three years. The warrants are valued at \$92,500 using the residual method.

On November 20, 2020, the Company issued 4,290,666 flow-through Class A common shares at a price of \$0.075 per share for gross proceeds of \$321,800. A flow-through share premium of \$107,267 was recognized as a liability (Note 8).

EEE EXPLORATION CORP.

For the three months ended October 31, 2021

(Expressed in Canadian dollars - Unaudited)

4. SHARE CAPITAL (cont'd)**Share Issuances (cont'd)**

On September 10, 2020, the Company issued 500,000 Class A common shares with a fair value of \$25,000 pursuant to the property option agreement to acquire up to an 80% interest in the Golden Moon Property (Note 3).

On August 24, 2020, the Company issued 5,870,000 Class A common shares for proceeds of \$293,500 at a price of \$0.05 per share.

During the year ended July 31, 2021, the Company incurred share issuance costs of \$15,263 related to the share issuances described above.

Preferred shares

The Company has authorized an unlimited number of Class B preferred shares without par value. There are no preferred shares issued to date.

Escrow shares

On June 21, 2021, the Company's common shares were approved for listing on the CSE. In accordance with the policies of the CSE, certain officers and directors entered into an agreement with the Company and a trustee, whereby they have agreed to deposit 5,325,000 common shares in escrow. 10% was released to the escrow shareholders on June 21, 2021 and an additional 15% will be released to the escrow shareholders on each of the dates that are 6, 12, 18, 24, 30 and 36 months after the first release. At October 31, 2021, there were 4,792,500 shares in escrow (July 31, 2020 - Nil).

Warrants

The continuity of the Company's outstanding warrants is as follows:

	July 31, 2021	
	Number of warrants	Weighted average Exercise price
Warrants, beginning of the year	-	\$ -
Granted	2,590,000	0.20
Warrants, end of the year	2,590,000	\$ 0.20

At July 31, 2021, the following warrants were outstanding and exercisable:

Number of Warrants Outstanding	Number of Warrants Exercisable	Exercise price (\$)	Expiry date
1,850,000	1,850,000	0.20	November 20, 2023
740,000	740,000	0.20	November 24, 2023
2,590,000	2,590,000		

EEE EXPLORATION CORP.

For the three months ended October 31, 2021

(Expressed in Canadian dollars - Unaudited)

4. SHARE CAPITAL (cont'd)***Stock Options***

The Company has an incentive stock option plan in place under which it is authorized to grant options to executive officers, directors, employees, and consultants to acquire up to 10% of the outstanding issued common shares. The exercise price of options granted under the Plan will be determined by the board of directors but will not be less than the greater of the closing market price of the Company's Common Shares on the Exchange on (a) the trading day prior to the date of grant of the options; and (b) the date of grant of the stock options.

The continuity of the Company's outstanding stock options is as follows:

	Number of options	Weighted average Exercise price
Options, July 31, 2021	1,000,000	\$ 0.10
Granted	-	-
Options, October 31, 2021	1,000,000	\$ 0.10

On April 13, 2021, the Company granted 1,000,000 stock options, exercisable at \$0.10 per share for a term of 5 years. The options vest upon grant. The Company determined the grant date fair value of \$93,727, which was recognized as share based compensation.

The fair value of all compensatory options granted is estimated on the grant date using the Black-Scholes Options Pricing Model.

The weighted average of the inputs used in the calculation of the fair value of the stock options on the date of issue are as follows:

	July 31, 2021
Volatility	165.53%
Expected life	5 years
Risk-free interest rate	0.94%
Expected dividend yield	0.00%

At October 31, 2021 and July 31, 2021, there were 1,000,000 stock options outstanding and exercisable at a price of \$0.10 and with an expiry date of April 13, 2026.

Reserve

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

EEE EXPLORATION CORP.

For the three months ended October 31, 2021

(Expressed in Canadian dollars - Unaudited)

5. FINANCIAL INSTRUMENTS

	<i>Ref.</i>	October 31, 2021	July 31, 2021
		\$	\$
Other financial assets	a	380,684	449,296
Other financial liabilities	b	(7,498)	(16,493)

a. Comprised of cash and receivable.

b. Comprised of accounts payable, loans and due to related party.

The Company has determined the estimated fair values of its financial instruments based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments are not materially different from their carrying values.

The Company's financial instruments are exposed to certain financial risks, which include the following:

Credit risk

Credit risk is the risk of loss due to the counterparty's inability to meet its obligations. The Company's exposure to credit risk is on its cash. Risk associated with cash is managed through the use of major banks which are high credit quality financial institutions as determined by rating agencies. Other receivables comprise sales tax refunds from the Canadian federal government. Credit risk has been assessed as high.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company ensures that there is sufficient capital in order to meet short-term operating requirements, after taking into account the Company's holdings of cash. Liquidity risk has been assessed as high.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and price risk.

Currency Risk

Currency risk is the risk of change in profit or loss that arises from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Company does not use derivative instruments to reduce its exposure to foreign currency risk. The Company does not have any assets or liabilities denominated in foreign currencies and engages in very few transactions denominated in a foreign currency; therefore, its exposure to currency risk is limited.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to interest rate risk.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not exposed to price risk.

EEE EXPLORATION CORP.

For the three months ended October 31, 2021

(Expressed in Canadian dollars - Unaudited)

6. CAPITAL MANAGEMENT

The Company's objectives when managing capital are 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 fund the commercialization of the licensed proprietary asset. To secure the additional capital necessary to pursue these plans, the Company intends to raise additional funds through the equity or debt financing. There were no changes in the Company's approach to capital management since inception. The Company is not subject to any external capital requirements.

7. RELATED PARTY TRANSACTIONS

As at October 31, 2021, due to related party includes \$570 (July 31, 2021 – \$nil) due from a director or a company controlled by a director.

During the year ended July 31, 2021, the Company incurred management fees of \$9,000 (2020 - \$8,250), rent of \$2,100 (2020 - \$nil) to the director.

8. FLOW-THROUGH SHARE LIABILITIES

For the purposes of calculating any premium related to the issuances of the flow-through shares, the Company compares the market price of its shares to the subscription price of flow-through shares to determine if there was a premium paid on the flow-through shares (Note 4). As a result, the Company's flow-through liability on issuance of flow-through shares in connection with the private placements is as follows:

	October 31, 2021	July 31, 2021
		\$
Balance, opening	71,465	-
Addition	-	107,267
Reversal	(8,387)	(35,802)
Balance, ending	63,078	71,465

As of October 31, 2021, the Company is committed to spending approximately \$189,235 (July 31, 2021 - \$214,395) in connection with its flow-through offering. Failure to incur the required eligible expenditures may result in penalties and taxes and the Company may also be liable to indemnify the shareholders for their income taxes and penalties.