WEST MINING CORP.
(FORMERLY IRONWOOD CAPITAL CORP.)

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED OCTOBER 31, 2020 AND 2019
(Expressed in Canadian Dollars)

17th floor, 1030 West Georgia St., Vancouver, BC, Canada V6E 2Y3

Tel: 604. 714. 3600 **Fax:** 604. 714. 3669 **Web:** manningelliott.com

INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of
West Mining Corp. (formerly, Ironwood Capital Corp.)

Opinion

We have audited the consolidated financial statements of West Mining Corp. and its subsidiary (the "Company") which comprise the consolidated statement of financial position as at October 31, 2020, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the year then ended, and the related notes comprising a summary of significant accounting policies and other explanatory information (together, the "Financial Statements").

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of the Company as at October 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' 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.

Emphasis of Matter - Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying Financial Statements, which describes matters and conditions that indicate the existence of a material uncertainty that may cast significant doubt about 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, which comprises the information included in the Company's Management Discussion & Analysis to be filed with the relevant Canadian securities commissions.

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 identified above 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 on this other information, we 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.

Other Matter

The consolidated financial statements of the Company as of October 31, 2019 and for the year ended October 31, 2019, which are presented for comparative purposes, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on February 25, 2020.

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 as issued by the International Accounting Standards Board, 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated Financial Statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 auditors' report is Waseem Javed.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, Canada
February 26, 2021

WEST MINING CORP.
(FOMERLY IRONWOOD CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	Note	October 31, 2020 $	October 31, 2019 $
ASSETS			
Current assets			
Cash		196,317	436,841
GST recoverable		6,327	759
Prepaid expenses		6,000	1,733
Loan receivable	**6**	263,951	-
Total assets		472,595	439,333
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		17,664	24,683
SHAREHOLDERS' EQUITY			
Share capital	**5**	505,319	505,319
Subscriptions received	**11**	153,000	-
Contributed surplus	**5**	10,641	10,641
Deficit		(214,029)	(101,310)
		454,931	414,650
Total liabilities and shareholders' equity		472,595	439,333

Nature of operations and going concern (Note 1)
Subsequent events (Note 11 and 12)

Approved and authorized on behalf of the Board of Directors on February 26, 2021

"**Luke Montaine**" Director "**Nicholas Houghton**" Director

WEST MINING CORP.
(FORMERLY IRONWOOD CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the years ended October 31, 2020 and 2019
(Expressed in Canadian Dollars)

	Note	2020 $	2019 $
ADMINISTRATIVE EXPENSES			
Consulting fees		37,375	20,000
Filing fees		8,586	13,709
Investor relations		1,615	-
Office expenses		957	194
Professional fees		79,190	27,185
		(127,723)	(61,088)
OTHER INCOME			
Interest income	6	13,951	-
Foreign exchange gain		1,053	
		15,004	-
NET LOSS AND COMPREHENSIVE LOSS FOR THE YEAR		(112,719)	(61,088)
NET LOSS PER SHARE – BASIC AND DILUTED		(0.03)	(0.02)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		3,562,001	3,562,001

The accompanying notes are an integral part of these consolidated financial statements

WEST MINING CORP.
(FORMERLY IRONWOOD CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Expressed in Canadian dollars, except for share figures)

	Note	Number of Shares #	Share Capital $	Subscriptions Received $	Contributed Surplus $	Deficit $	Total $
Balance, November 1, 2018		3,562,001	505,319	-	10,641	(40,222)	475,738
Net and comprehensive loss for the year		-	-	-	-	(61,088)	(61,088)
Balance, October 31, 2019		3,562,001	505,319	-	10,641	(101,310)	414,650
Subscriptions received	**11**	-	-	153,000	-	-	153,000
Net and comprehensive loss for the year		-	-	-	-	(112,719)	(112,719)
Balance, October 31, 2020		3,562,001	505,319	153,000	10,641	(214,029)	454,931

The accompanying notes are an integral part of these consolidated financial statements

WEST MINING CORP.
(FORMERLY IRONWOOD CAPITAL CORP.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
For the years ended October 31, 2020 and 2019
(Expressed in Canadian Dollars)

	Note	2020 $	2019 $
Operating activities:			
Net loss for the year		(112,719)	(61,088)
Changes in non-cash working capital related to operations:			
GST recoverable		(5,568)	325
Accrued interest income		(13,951)	-
Prepaid expenses		(4,267)	(1,733)
Accounts payable and accrued liabilities		(7,019)	(4,460)
Net cash used in operating activities		(143,524)	(66,956)
Investing activity:			
Loans advanced	**6**	(250,000)	-
Net cash used in investing activity		(250,000)	-
Financing activity:			
Subscriptions received	**11**	153,000	-
Net cash provided by financing activity		153,000	-
Decrease in cash during the year		(240,524)	(66,956)
Cash – beginning of the year		436,841	503,797
Cash – end of the year		196,317	436,841
Income taxes paid in cash		-	-
Interest paid in cash		-	-

1. NATURE OF OPERATIONS AND GOING CONCERN

West Mining Corp. (formerly Ironwood Capital Corp.) (the "Company" or "West") was incorporated under the Company Act of British Columbia on August 28, 2017. On November 4, 2020, the Company changed its name to West Mining Corp. The Company's registered and records office is located at 2300 – 1177 West Hastings Street, Vancouver, BC V6E 2K3.

On November 4, 2020, the Company completed its Qualifying Transaction, under which West has acquired all right, title and interest in, to and under an option and joint venture agreement respecting the Kagoot Brook Property (the "Transaction"). See Note 11. On December 7, 2020 the Company's common shares began trading on the Canadian Securities Exchange under the trading symbol "WEST".

These consolidated financial statements have been prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to meet its obligations and continue its operations for the next twelve months. The Company expects to incur further losses in the development of its business. The Company's ability to continue as a going concern is dependent upon its ability to raise adequate funding through equity or debt financings to discharge its liabilities as they come due. Although the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms advantageous to the Company.

In March 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had a material adverse effect on the global economy and specifically, the regional economies in which the Company operates. The pandemic could result in delays in the course of business and continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital.

These factors indicate the existence of a material uncertainty that may cast doubt about the Company's ability to continue as a going concern. As a result, the Company may be unable to realize its assets and discharge its liabilities in the normal course of business. Should the Company be unable to continue as a going concern, asset realization values may be substantially different from their carrying values. Carrying values as shown in these consolidated financial statements do not give effect to adjustments that would be necessary to the carrying values and classification of assets and liabilities should the Company be unable to continue as a going concern. Such adjustments could be material.

2. BASIS OF PRESENTATION

a) Statement of compliance

These consolidated financial statements have been presented in accordance with International Financial Reporting Standards ("IFRS") and related IFRS Interpretations Committee ("IFRIC's") as issued by the International Accounting Standards Board ("IASB").

These consolidated financial statements were approved by the board of directors for issue on February 26, 2021.

b) Basis of presentation

These consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments which are measured at fair value.

c) Consolidation

These consolidated financial statements include the financial statements of the Company and a wholly-owned subsidiary subject to control by the Company, 2125839 Alberta Inc.

Control is achieved when the Company has the power to, directly or indirectly, govern the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are fully consolidated from the date on which control is obtained and continue to be consolidated until the date that such control ceases. Intercompany balances, transactions and unrealized intercompany gains and losses are eliminated upon consolidation.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies used in the preparation of these consolidated financial statements are as follows:

a) Foreign currencies

The presentation currency of the Company is the Canadian dollar. The functional currency of the Company and 2125839 Alberta Inc. is the Canadian dollar.

Foreign currency transactions are translated into the functional currency using exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities that are denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary assets and liabilities are translated using the historical rate on the date of the transaction. All gains and losses on translation of these foreign currency transactions are charged to profit or loss.

b) Financial instruments

Recognition and Classification
The Company recognizes a financial asset or financial liability on the statement of financial position when it becomes party to the contractual provisions of the financial instrument.

The Company classifies its financial instruments in the following categories: at fair value through profit and loss ("FVTPL"), at fair value through other comprehensive income (loss) ("FVTOCI") or at amortized cost. The Company determines the classification of financial assets at initial recognition. The classification of debt instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics.

Equity instruments that are held for trading are classified as FVTPL. For other equity instruments, on the day of acquisition the Company can make an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI. Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or if the Company has opted to measure them at FVTPL.

Measurement
Financial assets and liabilities at FVTPL
Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed in the statements of (loss) income. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities held at FVTPL are included in the statements of (loss) income in the year in which they arise. Where management has opted to recognize a financial liability at FVTPL, any changes associated with the Company's own credit risk will be recognized in other comprehensive income (loss).

Financial assets at FVTOCI
Elected investments in equity instruments at FVTOCI are initially recognized at fair value plus transaction costs. Subsequently they are measured at fair value, with gains and losses recognized in other comprehensive income (loss).

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment.

Impairment of financial assets at amortized cost
The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to the twelve month expected credit losses. The Company shall recognize in the statements of net (loss) income, as an impairment gain or loss, the amount of expected

credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Derecognition
Financial assets
The Company derecognizes financial assets only when the contractual rights to cash flows from the financial assets expire, or when it transfers the financial assets and substantially all of the associated risks and rewards of ownership to another entity. Gains and losses on derecognition are generally recognized in the statements of net (loss) income. However, gains and losses on derecognition of financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

Financial liabilities
The Company derecognizes financial liabilities only when its obligations under the financial liabilities are discharged, cancelled or expired. Generally, the difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

c) Share capital

Equity instruments are contracts that give a residual interest in the net assets of the Company. The Company's common shares are classified as equity instruments.

Costs directly identifiable with the raising of share capital financing are charged against share capital. Share issuance costs incurred in advance of share subscriptions are recorded as deferred assets. Share issuance costs related to uncompleted share subscriptions are charged to operations.

d) Loss per share

Basic loss per share represents the loss for the period, divided by the weighted average number of common shares outstanding during the period. Diluted loss per share represents the loss for the period, divided by the weighted average number of common shares outstanding during the period plus the weighted average number of dilutive shares resulting from the exercise of stock options, warrants and other similar instruments where the inclusion of these would not be anti-dilutive.

e) Share-based payments

Where equity-settled share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Performance vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognized over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether these vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to non-employees, they are recorded at the fair value of the goods or services received in profit or loss, unless they are related to the issuance of shares. Amounts related to the issuance of shares are recorded as a reduction of share capital.

When the value of goods or services received in exchange for the share-based payment cannot be reliably estimated, the fair value is measured by use of a valuation model. The expected life used in the model is adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioral considerations.

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

Where a grant of options is cancelled or settled during the vesting period, excluding forfeitures when vesting conditions are not satisfied, the Company immediately accounts for the cancellation as an acceleration of vesting and recognizes the amount that otherwise would have been recognized for services received over the remainder of the vesting period. Any payment made to the employee on the cancellation is accounted for as the repurchase of an equity interest except to the extent the payment exceeds the fair value of the equity instrument granted, measured at the repurchase date. Any such excess is recognized as an expense.

f) Income tax

Income tax on the profit or loss for the periods presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

Current tax expense is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at period end, adjusted for amendments to tax payable with regards to previous periods.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The Company does not provide for temporary differences relating to differences relating to investments in subsidiaries, associates, and joint ventures to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position reporting date applicable to the period of expected realization or settlement.

A deferred tax asset is recognized only to the extent that it is probable that future taxable income will be available against which the asset can be utilized. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

g) Critical accounting estimate, judgments and assumptions

The preparation of these consolidated financial statements in conformity with IFRS requires management to make judgement and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets/liabilities at the date of the financial statements and reported amount of revenues and expenses during the reporting period. Actual outcomes could differ from these estimates.

On an on-going basis, management evaluates its estimates underlying various assumptions. Significant assumptions about the future and other sources of estimation uncertainty that management has made at the statement of financial position date that could result in material adjustments to the carrying amounts of assets and liabilities, include the following:

Critical accounting estimates
- Variables used in determining expected credit losses;

Critical accounting judgments
- Recognition of deferred tax assets and liabilities
- Going concern
- Impairment assessment of loan receivable

4. ACCOUNTING CHANGES AND RECENT PRONOUNCEMENTS

New and amended standards adopted by the Company

In January 2016, the IASB issued IFRS 16, *Leases*, which supersedes IAS 17, *Leases*. IFRS 16 establishes principles for the recognition, measurement, presentation and disclosure of leases. The standard establishes a single model for lessees to bring leases on-balance sheet while lessor accounting remains largely unchanged and retains the finance and operating lease distinctions. The Company adopted IFRS 16 in its financial statements for the annual period beginning November 1, 2019. The adoption of this standard did not have a material measurement or disclosure impact on the Company's consolidated financial statements.

Amendments to IFRS 9, *Financial Instruments* clarify that a financial asset that would otherwise have contractual cash flows that are solely payments of principal and interest but do not meet that condition only as a result of a prepayment feature with negative compensation may be eligible to be measured at either amortized cost or fair value through other comprehensive income. This classification is subject to the assessment of the business model in which the particular financial asset is held as well as consideration of whether certain eligibility conditions are met. The Company adopted the IFRS 9 amendments in its financial statements for the annual period beginning November 1, 2019. The adoption of these amendments did not have a material measurement or disclosure impact on the Company's consolidated financial statements.

New standards and interpretations not yet adopted

In October 2018, the IASB issued amendments to IFRS 3, *Business Combinations*. The amendments narrowed and clarified the definition of a business. The amendments will help companies determine whether an acquisition is a business or a group of assets. They also permit a simplified assessment of whether an acquired set of activities and assets is a group of assets rather than a business. Distinguishing between a business and a group of assets is important because an acquirer recognizes goodwill only when acquiring a business. This amendment will be effective for annual periods beginning on or after January 1, 2020. Early adoption is permitted. The Company does not expect a significant impact on its consolidated financial statements as a result of the adoption of these amendments.

5. SHARE CAPITAL

a) **Authorized –** Unlimited common shares without par value.
b) **Issued and outstanding** – 3,562,001 common shares including 1,770,001 held in escrow
c) **Financings**

The Company did not issue any common shares during the years ended October 31, 2020 and 2019.

d) Stock options

During the year ended October 31, 2018, the Company 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 TSX-V requirements, grant to directors, officers, employees and technical consultants to the Company, non-transferable options to purchase common shares, provided that the number of common shares reserved for issuance will not exceed 10% of the issued and outstanding common shares. In connection with the foregoing, the number of common shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding common shares and the number of common shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding common shares. Options may be exercised the greater of 12 months after completion of the Qualifying Transaction and 90 days following cessation of the optionee's position with the Company, provided that if the cessation of office, directorship, or technical consulting arrangement was reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option. Subject to earlier termination, all options granted under the Option Plan will expire not later than the date that is ten years from the date of the grant.

During the years ended October 31, 2020 and 2019, the Company did not grant any stock options to its officers, directors, or consultants. There were no stock options outstanding as at October 31, 2020 and 2019.

e) Agent Warrants

There were 101,200 agent warrants outstanding and exercisable at $0.20 per share as at October 31, 2019. All of these warrants expired unexercised on May 3, 2020.

6. TERMINATED QUALIFYING TRANSACTION AND LOAN RECEIVABLE

The Company entered into a non-binding letter of intent ("LOI") on December 4, 2019 in connection with a proposed acquisition of 1Five2 Tech Solutions Ltd ("152 Tech"). The proposed acquisition was intended to qualify as the Company's Qualifying Transaction and was expected to proceed by way of a "three-cornered amalgamation" under which a wholly-owned subsidiary of the Company would amalgamate with 152 Tech.

In conjunction with the execution of the LOI, the Company provided 152 Tech with a loan in the amount of $25,000. The loan is unsecured, bears interest at 6% per year, compounded monthly, and is repayable on the earlier of: (a) December 4, 2020; and (b) the date which is 90 days after the date on which the LOI is terminated for any reason other than the execution of the definitive agreement.

The Company also provided a line of credit loan (the "Secured Loan") of $225,000 to 152 Tech. The Secured Loan is secured against all of the assets of 152 Tech. The Secured Loan bears interest at 6% per year, compounded monthly; and is repayable on the earlier of: (a) December 4, 2020; and (b) the date which is 90 days after the date on which the LOI is terminated for any reason other than the execution of the definitive agreement.

During the year ended October 31, 2020, the Company recorded interest revenue of $13,951 (2019 - $nil) on the loans advanced to 152 Tech. As at October 31, 2020, the total loan receivable balance is $263,951 (2019 - $nil).

During the year ended October 31, 2020, the LOI expired and the proposed acquisition was terminated. The loan remains unpaid past its due date and the Company anticipates collecting the amount during fiscal 2021.

7. RELATED PARTY TRANSACTIONS

Key management of the Company includes the Chief Executive Officer, Chief Financial Officer and directors of the Company.

Related party transactions are measured at the exchange amount of consideration agreed between the related parties. There were no related party transactions during the years ended October 31, 2020 and 2019. There was no compensation paid or accrued to key management personnel during the years ended October 31, 2020 and 2019.

8. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to maintain a flexible capital structure which optimizes the cost of capital within a framework of acceptable risk. In the management of capital, the Company includes the components of shareholders' equity as well as cash.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the

Company may issue new shares, issue debt, acquire or dispose of assets or adjust the amount of cash. The Company is dependent on the capital markets as its primary source of operating capital and the Company's capital resources are largely determined by its ability to compete for investor support of its projects.

The Company is not subject to any capital requirements imposed by a regulator. There was no change to the Company's approach to capital management during the year.

9. FINANCIAL INSTRUMENTS

a) Fair value of financial instruments

The Company's financial instruments consist of cash, loan receivable, and accounts payable. The Company designated its cash, loan receivable and accounts payable as amortized cost.

The Company classified the fair value of the financial instruments according to the following fair value hierarchy based on the amount of observable inputs used to value the instruments:

- Level 1 – Values based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.

- Level 2 – Values based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.

- Level 3 – Values based on prices or valuation techniques that are not based on observable market data.

As at October 31, 2020, the Company believes that the carrying values of cash, loan receivable, and accounts payable and accrued liabilities approximate their fair values because of their nature and relatively short maturity dates or durations.

b) Management of risks arising from financial instruments

Discussions of risks associated with financial assets and liabilities are detailed below:

Credit risk
Credit risk arises from cash held with banks and financial institutions and loan receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The Company's cash is held with a reputable Canadian bank. The credit risk related to cash is considered minimal.

Interest rate risk
Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk that the Company will realize such a loss is limited because the Company's loan receivable has a fixed interest rate.

(Expressed in Canadian Dollars)

Liquidity risk
The Company manages liquidity risk by maintaining sufficient cash to enable settlement of transactions as they come due. Management monitors the Company's contractual obligations and other expenses to ensure adequate liquidity is maintained.

10. INCOME TAXES

A reconciliation of income taxes at statutory rates with reported taxes is as follows:

	Year ended October 31, 2020	**Year ended October 31, 2019**
Statutory tax rate	**27%**	**27%**
	$	**$**
Loss before income taxes	(112,719)	(61,088)
Expected income tax recovery at statutory rate	(30,500)	(16,494)
Permanent differences and other	1,500	-
Effect of tax rate change	-	(339)
Change in deferred tax asset not recognized	29,000	16,833
Income tax recovery	**-**	**-**

The significant components of the Company's deferred income tax assets as at October 31, 2020 and 2019 are as follows:

	2020	**2019**
	$	**$**
Share issuance costs	5,000	9,000
Non-capital loss carry forward	65,000	32,000
Unrecognized deferred income tax assets	(70,000)	(41,000)
Net deferred tax asset	**-**	**-**

The Company has non-capital losses carried forward for income tax purposes of approximately $240,000 which can be applied against future years' taxable income. Their expiry dates range from 2037 to 2040. Future tax benefits, which may arise as a result of these losses, have not been recognized in these financial statements.

	$
2037	1,000
2038	45,00
2039	73,000
2040	122,000
	240,000

11. QUALIFYING TRANSACTION

On November 4, 2020, the Company completed the Transaction, under which the Company has acquired all right, title and interest in, to and under an option and joint venture agreement with respect to the Kagoot Brook Property (the "Property") located near Bathhurst, New Brunswick, comprised of one mineral tenure covering 4,233 hectares.

On May 11, 2020, the Company entered into a sale, assignment and assumption agreement (the “Assumption Agreement”) with Origen Resources Inc. (“Origen”) in connection with the purchase and assumption by the Company of all of Origen’s right and interest under an option and joint venture agreement (the “Underlying Agreement”) dated May 10, 2018, as amended January 7, 2020, with Great Atlantic Resources Corp. (“Great Atlantic”).

As consideration for the Assumption Agreement, the Company has issued an aggregate of 500,000 common shares to Origen on November 4, 2020. Pursuant to the Underlying Agreement, Origen has the right to earn (the "Option") a 75% interest in the Property. To successfully exercise the Option, the optionee is required to: (a) incur a total of $650,000 in exploration expenditures on the Property on or before May 10, 2022; and (b) make aggregate cash payments of $110,000 to Great Atlantic, as follows: $30,000 by May 23, 2020 (paid by Origen); $30,000 by January 23, 2021; and $50,000 by January 23, 2022.

Once the Option has been exercised, the Property will be subject to a 2% NSR royalty in favor of the prospectors, with 1% of such NSR royalty being subject to a repurchase right for $500,000. Upon successful exercise of the Option, the optionee shall have acquired an undivided 75% interest in the Property, which interest will be subject to the 75%/25% joint venture formed between the optionee and Great Atlantic. If a joint venture party does not contribute its proportionate share of expenditures on the Property, the non-contributing party's joint venture interest will be reduced proportionately. If Great Atlantic's joint venture interest is reduced to 5% or less, Great Atlantic will be deemed to have withdrawn from the joint venture and its remaining interest in the Property will convert into a 3% NSR royalty, with the optionee having the right to repurchase up to 2% of such royalty for $1,000,000 per each 1%.

In conjunction with the Transaction, the Company completed a private placement financing under which it has raised gross proceeds of $600,000 through the issuance of units at a price of $0.18 per unit, with each unit comprised of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable for one common share at an exercise price of $0.35 for two years from the date of issuance. As at October 31, 2020, the Company had received proceeds of $153,000 in advance with respect to the private placement (see Note 12(a)).

12. SUBSEQUENT EVENTS

a) Private Placements

As described in Note 11, on November 4, 2020, the Company closed a private placement raising gross proceeds of $600,000 through the issuance of 3,333,333 units.

On December 16, 2020, the Company closed a private placement raising gross proceeds of $3,000,000 through the issuance of 16,666,667 units at a price of $0.18 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of $0.35 for two years from the date of issuance. In connection with the private placement, the Company paid aggregate cash finders' fees of $129,905 and issued an aggregate of 721,695 finders' warrants. Each finders' warrant is exercisable into one common share for two years at a price of $0.25 per share.

On December 23, 2020, the Company closed a private placement raising gross proceeds of $391,750 through the issuance of 2,089,333 units at a price of $0.1875 per unit. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of $0.35 for two years from the date of issuance.

b) Consulting, corporate development and other services

Subsequent to October 31, 2020, the Company made payments for financing services, facilitation of asset acquisitions, corporate development, marketing, investor relations and consulting services totalling approximately $2,113,000. Certain individuals or corporations who participated in the Company's private placements were also recipients of these payments.

c) Share Purchase Agreement respecting Nelson Mining District Mineral Exploration Claims

On December 23, 2020, the Company entered into a share purchase agreement (the "Share Purchase Agreement") with shareholders (the "Vendors") of Pilgrim Exploration Corp. ("Pilgrim"), under which the Company acquired all of Pilgrim's issued and outstanding common shares. Pilgrim is the registered holder of 10 mineral exploration claims located in the Nelson Mining District in British Columbia. In exchange for the purchase of Pilgrim's shares, the Company issued to the Vendors 3,000,000 units. Each unit is comprised of one common share and one-half of one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of $0.35 for a period of two years from the date of issuance. In connection with the transaction, the Company issued 300,000 units for finders' fees. Each unit is comprised of one common share and one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of $0.63 for a period of two years from the date of issuance.

d) Mineral Property Option Agreement with Boundary Gold and Copper Mining Ltd.

On January 25, 2021, the Company entered into a property option agreement (the "Option Agreement") with Boundary Gold and Copper Mining Ltd. ("Boundary"), and Boundary's wholly-owned subsidiary, 1994854 Alberta Ltd., to acquire the Kena and Daylight gold-copper properties. Under the Option Agreement, the Company has the option to earn a 100% undivided right, title and interest in and to the properties by completing the following:

i. Make aggregate cash payments of $1,325,000
ii. Issue an aggregate of 7,361,112 common shares
iii. Incur an aggregate of $2,211,000 in exploration expenditures

Upon execution of the Option Agreement, the Company made an initial cash payment of $325,000 to Boundary and issued 1,805,556 common shares. The Company also issued 285,395 common shares for finders' fees.

e) Share Purchase Agreement respecting Spanish Mountain Mineral Exploration Claims

On January 25, 2021, the Company entered into a share purchase agreement (the "Share Purchase Agreement") with shareholders (the "Vendors") of Folkestone Mining Corp. ("Folkestone"), under which the Company acquired all of Folkestone's issued and outstanding shares. Folkestone is the registered holder of 4 mineral exploration claims located in the Spanish Mountain District in British Columbia. In exchange for the purchase of Folkestone's shares, the Company issued to the Vendors 3,100,000 units. Each unit is comprised of one common share and one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of $0.42 for a period of two years from the date of issuance. In connection with the transaction, the Company issued 310,000 units for finders' fees. Each unit is comprised of one common share and one common share purchase warrant. Each whole warrant is exercisable into one common share at an exercise price of $0.63 for a period of two years from the date of issuance.

f) Options Issued

On November 4, 2020, the Company issued 680,000 stock options to certain directors and consultants of the Company. Each option is exercisable for one common share at an exercise price of $0.24 per share for 10 years.

On December 28, 2020, the Company issued 2,350,000 stock options to certain directors and consultants of the Company. Each option is exercisable for one common share at an exercise price of $0.30 per share for 10 years.

On January 26, 2021, the Company issued 400,000 stock options to certain directors and consultants of the Company. Each option is exercisable for one common share at an exercise price of $0.42 per share for 10 years.

g) Options Exercised

Subsequent to October 31, 2020, the Company issued 400,000 common shares pursuant to the exercise of stock options for gross proceeds of $120,000.

h) Warrants Exercised

Subsequent to October 31, 2020, the Company issued 1,000,000 common shares pursuant to the exercise of warrants for gross proceeds of $396,200.