WEST MINING CORP.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED OCTOBER 31, 2021 AND 2020

(Expressed in Canadian Dollars)

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of
West Mining Corp.

Opinion

We have audited the consolidated financial statements of West Mining Corp. and its subsidiaries (the "Company") which comprise the consolidated statements of financial position as at October 31, 2021 and 2020, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years 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, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

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 *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 audits 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.

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, British Columbia
February 28, 2022

WEST MINING CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT OCTOBER 31, 2021 AND 2020
(Expressed in Canadian Dollars)

	Note	2021	2020
		$	**$**
ASSETS			
Current assets			
Cash		3,438,154	196,317
Marketable securities		50,000	-
GST recoverable		146,714	6,327
Prepaid expenses		278,613	6,000
		3,913,481	208,644
Loan receivable	**7**	280,231	263,951
Exploration and evaluation assets	**4**	8,033,375	-
Total assets		12,227,087	472,595
LIABILITIES			
Current liabilities			
Accounts payable and accrued liabilities		174,600	17,664
Flow-through share premium liability	**6**	175,019	-
		349,619	17,664
SHAREHOLDERS' EQUITY			
Share capital	**5**	15,725,311	505,319
Subscriptions received (receivable)		(46,200)	153,000
Contributed surplus	**5**	3,127,872	10,641
Deficit		(6,929,515)	(214,029)
		11,877,468	454,931
Total liabilities and shareholders' equity		12,227,087	472,595

Nature of operations and going concern (Note 1)
Commitments and contingencies (Note 12)
Subsequent event (Note 13)

Approved and authorized on behalf of the Board of Directors on February 28, 2022

"**Andrew Lee Smith**" Director "**Nicholas Houghton**" Director

WEST MINING CORP.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
FOR THE YEARS ENDED OCTOBER 31, 2021 AND 2020
(Expressed in Canadian Dollars)

	Note	2021	2020
		$	$
ADMINISTRATIVE EXPENSES			
Advertising and promotion		1,723,984	-
Consulting fees	8	1,109,597	37,375
Corporate development		674,225	-
Insurance		17,500	-
Interest and bank charges		3,333	1,615
Investor relations		75,000	957
Office expenses		84,589	79,190
Professional fees	8	285,219	
Rent		77,225	-
Salary and benefits		10,686	-
Share based compensation	5	2,667,770	-
Transfer agent and filing fees		195,611	8,586
Travel		7,898	-
		(6,932,637)	(127,723)
OTHER INCOME (EXPENSE)			
Interest income	7	16,280	13,951
Loss on disposition of exploration and evaluation asset	4	(101,000)	-
Unrealized loss on marketable securities		(25,000)	-
Foreign exchange gain		-	1,053
Amortization of flow-through share liability premium	6	326,871	-
		217,151	15,004
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD		(6,715,486)	(112,719)
NET LOSS PER SHARE – BASIC AND DILUTED		(0.11)	(0.03)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING		47,606,736	3,562,001

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

WEST MINING CORP.
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED OCTOBER 31, 2021 AND 2020
(Expressed in Canadian dollars, except for share figures)

	Number of Shares	**Share Capital**	**Subscriptions Received**	**Contributed Surplus**	**Deficit**	**Total**
	#	**$**	**$**	**$**	**$**	**$**
Balance, November 1, 2019	3,562,001	505,319	-	10,641	(101,310)	414,650
Subscriptions received	-	-	153,000	-	-	153,000
Net and comprehensive loss for the period	-	-	-	-	(112,719)	(112,719)
Balance, October 31, 2020	3,562,001	505,319	153,000	10,641	(214,029)	454,931
Issuance of common shares for cash	37,520,248	10,666,006	(153,000)	-	-	10,513,006
Share issuance costs – cash	-	(586,713)	-	-	-	(586,713)
Flow-through share premium liability	-	(501,890)	-	-	-	(501,890)
Fair value of finders' warrants	-	(940,067)	-	940,067	-	-
Options exercised	1,450,000	982,725	-	(489,725)	-	493,000
Warrants exercised	1,348,000	518,881	-	(881)	-	518,000
Subscriptions receivable	-	-	(46,200)	-	-	(46,200)
Shares issued for property acquisition	16,997,063	5,081,050	-	-	-	5,081,050
Share based compensation	-	-	-	2,667,770	-	2,667,770
Net and comprehensive loss for the period	-	-	-	-	(6,715,486)	(6,715,486)
Balance, October 31, 2021	60,877,312	15,725,311	(46,200)	3,127,872	(6,929,515)	11,877,468

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

WEST MINING CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED OCTOBER 31, 2021 AND 2020
(Unaudited – Expressed in Canadian Dollars)

	2021	**2020**
	$	**$**
Operating activities:		
Net loss for the period	(6,715,486)	(112,719)
Items not affecting cash:		
Amortization of flow-through premium liability	(326,871)	-
Interest income	(16,280)	(13,951)
Loss on disposal of mineral property	101,000	-
Share based compensation	2,667,770	-
Unrealized loss on marketable securities	25,000	-
Changes in non-cash working capital related to operations:		
GST recoverable	(140,387)	(5,568)
Prepaid expenses	(272,613)	(4,267)
Accounts payable and accrued liabilities	50,895	(7,019)
Net cash used in operating activities	(4,626,972)	(143,524)
Investing activity:		
Exploration and evaluation asset expenditures	(3,022,284)	-
Loans advanced	-	(250,000)
Net cash used in investing activity	(3,022,284)	(250,000)
Financing activities:		
Proceeds from issuance of common shares	10,466,806	-
Proceeds from options exercised	493,000	-
Proceeds from warrants exercised	518,000	-
Share issuance costs	(586,713)	-
Subscriptions received	-	153,000
Net cash provided by financing activities	10,891,093	153,000
Increase (decrease) in cash during the period	3,241,837	(244,524)
Cash – beginning of the year	196,317	436,841
Cash – end of the year	3,438,154	196,317
Supplemental cash flow information:		
Interest paid in cash	-	-
Income taxes paid in cash	-	-
Non-cash investing and financing transactions:		
Accounts payable related to exploration and evaluation assets	106,041	-

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

1. NATURE OF OPERATIONS AND GOING CONCERN

West Mining 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 3500-1055 Dunsmuir Street PO Box 49114, Vancouver, British Columbia V7X 1H7.

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

The Company's primary business is the identification, acquisition, and exploration of mineral properties.

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. As of October 31, 2021, the Company has an accumulated deficit of $6,929,515. 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 could 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 28, 2022.

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 wholly-owned subsidiaries subject to control by the Company, 2125839 Alberta Inc., Pilgrim Exploration Corp., Folkestone Mining Corp. and 1994854 Alberta Ltd.

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) Cash and cash equivalents

The Company considers all highly liquid instruments with a maturity of three months or less at the time of issuance, are readily convertible to known amounts of cash, and which are subject to insignificant risk of changes in value to be cash equivalents. The Company did not have any cash equivalents at October 31, 2021 and 2020.

b) Foreign currencies

The presentation currency of the Company is the Canadian dollar. The functional currency of the Company, 2125839 Alberta Inc., Pilgrim Exploration Corp., Folkestone Mining Corp. and 1994854 Alberta Ltd. 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.

c) Exploration and evaluation assets

Upon acquiring the legal right to explore an exploration and evaluation asset, costs related to the acquisition, exploration and evaluation are capitalized as incurred. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit and loss. If commercially profitable ore reserves are developed, capitalized costs of the related exploration and evaluation assets are reclassified as mining assets and amortized using the unit of production method. If, after management review, it is determined that capitalized acquisition, exploration and evaluation costs are not recoverable, or the exploration and evaluation assets are abandoned, or management deems there to be an impairment in value, the exploration and evaluation assets are written down to their estimated recoverable amount. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. Their recoverability is dependent upon the discovery of economically recoverable reserves, the ability of the Company to obtain the necessary financing to complete the exploration and evaluation, and future profitable production or proceeds from the disposition thereof.

d) Impairment of non-financial assets

At the end of each reporting period, the Company's non-financial assets, other than deferred tax assets, are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the period. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Restoration, rehabilitation and environmental obligations

The Company recognizes liabilities for legal or constructive obligations associated with the retirement of mineral properties and equipment. The net present value of future rehabilitation costs is capitalized to the related asset along with a corresponding increase in the rehabilitation provision in the period incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision.

The Company does not have any significant restoration, rehabilitation and environmental obligations as at October 31, 2021.

f) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value, except deferred tax assets or liabilities, which are recognized and measured in accordance with IAS 12 – Income Taxes. Subsequent changes in fair values are adjusted against the cost of acquisition if they qualify as measurement period adjustments. The measurement period is the period between the date of the acquisition and the date where all significant information necessary to determine the fair values is available and cannot exceed 12 months. All other subsequent changes are recognized in the consolidated statements of comprehensive loss.

The purchase price allocation process resulting from a business combination requires management to estimate the fair value of identifiable assets acquired including intangible assets and liabilities assumed including any contingently payable purchase price obligation due over time. The Company uses valuation techniques, which are generally based on forecasted future net cash flows discounted to present value. These valuations are closely linked to the assumptions used by management on the future performance of the related assets and the discount rates applied. The determination of fair value involves making estimates relating to acquired intangibles assets, property and equipment and contingent consideration.

Acquisition related costs are recognized in the consolidated statements of comprehensive loss as incurred.

Management determines whether assets acquired and liabilities assumed constitute a business. A business consists of inputs and processes applied to those inputs that can create outputs.

During the year ended October 31, 2021, the Company completed a transaction described in Note 4 and concluded that the transaction did not qualify as a business combination under IFRS 3 – Business Combinations.

g) 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

g) Financial instruments (continued)

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.

h) 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

i) Flow-through shares

Current Canadian tax legislation permits a company to issue securities referred to as flow-through shares whereby the Company assigns the tax deductions arising from the related resource expenditures to the shareholders. The issue of flow-through shares is in substance an issue of ordinary shares and the sale of tax deductions. At the time the Company issues flow-through shares, the sale of tax deductions is deferred and presented as other liabilities in the statement of financial position to recognize the obligation to incur and renounce eligible resource exploration and evaluation expenditures. The tax deduction is measured as the difference between the current market price of the Company's common shares and the issue price of the flow-through share. Upon incurring and renouncing eligible resource exploration and evaluation expenditures, the Company recognizes the sale of tax deductions as a tax deduction recovery on the statement of comprehensive loss and reduces the other liability.

To the extent that the Company has deferred tax assets in the form of tax loss carry-forwards and other unused tax credits as at the reporting date, the Company may use them to reduce its deferred tax liability relating to tax benefits transferred through flow-through shares.

j) 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.

k) 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.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

l) Warrants issued in equity financing transactions

The Company engages in equity financing transactions to obtain the funds necessary to continue operations and explore and evaluate mineral properties. These equity financing transactions may involve issuance of common shares or units. A unit comprises a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are assigned value based on the residual value method. The value, if any, is allocated to equity reserves. Warrants that are issued as payment for agency fee or other transactions costs are accounted for as share-based payments.

m) 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.

n) 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 calculating the fair value of equity instruments used in equity-settled transactions
- Variables used in determining expected credit losses

Critical accounting judgments

- Impairment of exploration and evaluation assets
- Recognition of deferred tax assets and liabilities
- Determination of functional currencies
- Determination of whether a transaction constitutes a business combination or asset acquisition
- Going concern

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

o) New accounting standards and amendments adopted during the year

Amendments to IFRS 3, Business Combinations (effective November 1, 2020) assist in determining whether a transaction should be accounted for as a business combination or an asset acquisition. It amends the definition of a business to include an input and a substantive process that together significantly contribute to the ability to create goods and services provided to customers, generating investment and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendment had no impact on the Company.

p) Accounting standards issued but not yet effective

A number of new standards, and amendments to standards and interpretations, are not yet effective for the year ended October 31, 2021, and have not been applied in preparing these consolidated financial statements. Management does not expect the impact of any such new standards and amendments to have any significant impact on its consolidated financial statements.

4. EXPLORATION AND EVALUATION ASSETS

a) Qualifying Transaction respecting the Kagoot Brook Property

In connection with the Qualifying Transaction, 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”).

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

As consideration for the Assumption Agreement, the Company issued an aggregate of 500,000 common shares to Origen on November 4, 2020, with a fair value of $117,500. Pursuant to the Underlying Agreement, the Company obtained the right to earn (the "Option") a 75% interest in the Kagoot Brook Property.

To successfully exercise the Option, the Company was required to: (a) incur a total of $650,000 in exploration expenditures 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 (paid); and $50,000 ($28,500 paid) by January 23, 2022.

Pursuant to a sale, assignment and assumption agreement dated June 24, 2021 between the Company and Recharge Resources Ltd. (formerly Le Mare Gold Group) (the “Assignee”), the Company assigned its rights to acquire the 75% interest in, and commitments and obligations related to, the Kagoot Brook Property to the Assignee in exchange for 1,000,000 common shares of the Assignee. The Company recorded a loss on disposal of $101,000, which represents the difference between the carrying value of the Kagoot Brook Property and the fair value of the Assignee’s common shares received.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

b) Pilgrim Property

On December 23, 2020, the Company entered into a share purchase agreement (the “Share Purchase Agreement”) with shareholders of Pilgrim Exploration Corp. (“Pilgrim”), under which the Company acquired all of Pilgrim’s issued and outstanding common shares. Pilgrim was 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 3,000,000 units valued at $540,000. Each unit is comprised of one common share and one-half of one share purchase warrant 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 also issued 300,000 units as finder’s fees, with each unit comprising of one common share and one common share purchase warrant. Each 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.

The acquisition of Pilgrim did not meet the definition of a business combination, and therefore has been accounted for as an asset purchase of mineral property interests with the Company acquiring the outstanding shares of Pilgrim on December 23, 2020. The consideration for the acquisition of Pilgrim has been based on the fair value of the units issued as of the date of their issuance.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase price	**$**
3,000,000 units of the Company issued	540,000
300,000 units for finder’s fees issued	54,000
	594,000
Net assets acquired	
Exploration and evaluation assets	594,000

4. EXPLORATION AND EVALUATION ASSETS (continued)

c) Kena Project

During the year ended October 31, 2021, the Company acquired a 100% interest in the Kena Project upon execution of the Option Agreement, the Amended Agreement and the Apex Agreement (as defined below). The Company also purchased additional claims to complement the Kena Project on March 22, 2021, as described below. The Kena Project consists of mineral claims and crown grants located in the Nelson Mining District in British Columbia, and is subject to various NSRs ranging from 1% to 3% which may be purchased for cash consideration.

Option Agreement

On December 24, 2020, the Company entered into an option agreement (the "Option Agreement") with Boundary Gold and Copper Mining Ltd. ("Boundary"), and Boundary's wholly-owned subsidiary, 1994854 Alberta Ltd. ("1994854"), to acquire 174 mineral claims and 11 crown grants comprising the the Kena and Daylight gold-copper properties (the "Kena Project"). Under the Option Agreement, the Company had the option to earn an 80% interest in and to the properties by completing the following:

i. Make aggregate cash payments of $1,325,000 ($325,000 paid);
ii. Issue an aggregate of 7,361,112 common shares (1,805,556 common shares issued with a fair value of $325,000); and
iii. Incur an aggregate of $2,211,000 in exploration expenditures.

The Company also issued 285,395 common shares valued at $51,371 for finder's fees.

The Company also had the option to acquire the remaining 20% interest in the Kena Project by making a further cash payment of $2,000,000 upon earning its 80% interest.

Amended Agreement to purchase 1194854

Pursuant to an amending agreement dated April 7, 2021 with Boundary ("Amended Agreement"), the Company acquired all of the issued and outstanding shares of 1994854 from Boundary, by making a cash payment of $800,000 and issuing a further 5,555,556 common shares to Boundary with a fair value of $1,888,889. The remaining commitments under the Option Agreement were waived upon the Company's purchase of 1194854. 1194854 held the underlying 80% interest in the Kena Project.

The Company also paid finder's fees of $80,000 and issued 555,556 common shares with a fair value of $188,889.

The acquisition of 1194854 did not meet the definition of a business combination, and therefore has been accounted for as an asset purchase of mineral property interests with the Company acquiring the outstanding shares of 1194854 on December 23, 2020. The consideration for 1194854 has been calculated based on the cash payments and fair value of the common shares issued, and 100% of the purchase consideration has been allocated to exploration and evaluation assets acquired.

Apex Agreement to purchase remaining 20% interest

Pursuant to an asset purchase agreement dated April 7, 2021 with Apex Resources Inc. ("Apex") ("Apex Agreement"), the Company acquired Apex's interest in the Kena Project from Apex in exchange for cash payments totaling $300,000 and issuance of 1,500,000 common shares of the Company valued at $480,000.

Apex retained a 1% NSR royalty on the Kena Project, which the Company has a right to purchase for a cash payment of $500,000 at any time prior to the commencement of commercial production on the Kena Project.

Athabasca Mine

On March 22, 2021, the Company entered into a claims purchase agreement with 802213 Alberta Ltd., under which the Company acquired 17 additional mineral claims, contiguous to the Kena and Daylight gold-copper property. In exchange for the claims, the Company paid $52,297 and issued 85,000 common shares of the Company with a fair value of $71,400.

(Expressed in Canadian Dollars)

4. EXPLORATION AND EVALUATION ASSETS (continued)

d) Folkestone Property

On January 25, 2021, the Company entered into a share purchase agreement with shareholders of Folkestone Mining Corp. ("Folkestone"), under which the Company acquired all of Folkestone's issued and outstanding shares. Folkestone is the registered holder of four mineral exploration claims located in the Spanish Mountain District in British Columbia. In exchange for the purchase of Folkestone's shares, the Company issued 3,100,000 units of the Company, valued at $1,240,000. Each unit is comprised of one common share and one share purchase warrant. Each 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 finder's fees, with each unit comprising of one common share and one common share purchase warrant. Each 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.

The transaction did not meet the definition of a business combination and therefore, has been accounted for as an asset purchase of mineral property interests with the Company acquiring the outstanding shares of Folkestone on January 25, 2021. The consideration for the acquisition of Folkestone has been calculated at fair value of the units issued on the date of issuance.

The following table summarizes the fair value of the total consideration paid and the aggregate fair value of identified assets acquired and liabilities assumed:

Purchase price	**$**
3,100,000 units of the Company issued	1,240,000
310,000 units for finder's fees issued	124,000
	1,364,000
Net assets acquired	
Exploration and evaluation assets	1,364,000

e) Summary

The Company's exploration and evaluation assets as at October 31, 2021 are as follows:

	Pilgrim Property	**Folkestone Property**	**Kagoot Brook Property**	**Kena Project**	**Total**
	$	**$**	**$**	**$**	**$**
Balance, October 31, 2020	-	-	-	-	-
Additions during the year					
Property acquisition costs					
Cash	-	-	58,500	1,557,297	**1,615,797**
Common shares and units	594,000	1,364,000	117,500	3,005,550	**5,081,050**
Property exploration costs	-	141,797	-	1,370,731	**1,512,528**
Total additions during the year	**594,000**	**1,505,797**	**176,000**	**5,933,578**	**8,209,375**
Disposals during the year	-	-	(176,000)	-	**(176,000)**
Total disposals during the year	**-**	**-**	**(176,000)**	**-**	**(176,000)**
Balance, October 31, 2021	**594,000**	**1,505,797**	**-**	**5,933,578**	**8,033,375**

5. SHARE CAPITAL

a) Authorized – Unlimited common shares without par value.

b) Issued and outstanding – 60,877,312 common shares including 1,327,500 held in escrow

c) Issuances

During the year ended October 31, 2021, the Company issued the following:

i. In conjunction with the Qualifying Transaction, on November 4, 2020, the Company completed a private placement financing raising gross proceeds of $600,000 through the issuance of 3,333,333 units at a price of $0.18 per unit, with each unit comprised of one common share and one-half of one 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. The Company has allocated all the proceeds to common shares and $nil to the warrants. The Company paid cash finders' fees of $40,000.

ii. 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 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 cash finders' fees of $129,905 and issued 721,695 finders' warrants valued at $107,533. Each finders' warrant is exercisable into one common share for two years at a price of $0.35 per share.

iii. 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 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.

iv. On February 26, 2021, the Company closed a private placement raising gross proceeds of $6,674,256 through the issuance of 11,248,500 units at a price of $0.40 per unit and of 4,182,415 flow-through units (each, a "FT Unit") at a price of $0.52 per FT Unit. Each unit is comprised of one common share and one share purchase warrant, each warrant exercisable into one common share at an exercise price of $0.60 for a period of two years. Each FT Unit is comprised of one flow-through common share and one share purchase warrant, each warrant exercisable into one common share at an exercise price of $0.78 for a period of one year.

Under the financing, the Company paid a corporate finance fee of $10,000, paid finders' fees of $406,808 and issued 1,029,655 finders' warrants, valued at $792,874. 563,080 of the finders' warrants are exercisable into a unit at an exercise price of $0.40 for a period of two years; 177,600 of the finders' warrants are exercisable into one common share at an exercise price of $0.40 for a period of two years; 137,028 of the finders' warrants are exercisable into one unit (each unit comprised of one common share and one common share purchase warrant exercisable into one common share at an exercise price of $0.78 for a period of one year) at an exercise price of $0.52 for a period of two years; and 151,947 of the finders' warrants are exercisable into one common share at an exercise price of $0.52 for a period of two years.

v. During the year ended October 31, 2021, the Company issued 1,450,000 common shares pursuant to exercise of stock options for gross proceeds of $493,000. $489,725 has been reallocated from contributed surplus to share capital as a result.

vi. During the year ended October 31, 2021, the Company issued 1,340,000 shares pursuant to exercise of warrants and 8,000 shares pursuant to exercise of agent warrants for total gross proceeds of $518,000. $881 has been reallocated from contributed surplus to share capital as a result.

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

c) Issuances (continued)

vii. During the year ended October 31, 2021, certain individuals and corporations who provided consulting and advertising services to the Company also participated in and purchased units and common shares in the private placements noted above.

viii. During the year ended October 31, 2021, the Company issued 16,997,063 common shares in connection with the acquisitions of mineral property assets described in Note 4. Certain of the issued common shares were included as part of units issued to the sellers and optionors, which also included warrants. The fair value of the common shares and units issued was calculated to be $5,081,050.

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. 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.

The balance of share purchase options outstanding and exercisable as at October 31, 2021 and 2020 and the changes for the years then ended is as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Life Remaining
	#	$	(years)
Balance, October 31, 2020 and 2019	**-**	**-**	**-**
Granted	4,930,000	0.54	
Exercised	(1,450,000)	0.34	
Balance, October 31, 2021	**3,480,000**	**0.63**	**9.21**

The Company recorded share based compensation expense of $2,667,770 during the year ended October 31, 2021 (2020 - $Nil) as the Company granted 4,930,000 stock options, to consultants, directors and officers of the Company. The Company calculated the fair value of options granted during the period using the Black-Scholes option pricing model based on the following assumptions:

	2021
Risk-free rate	0.65% - 1.40%
Expected life of options (years)	10 years
Annualized Volatility	174%
Dividend rate	Nil
Forfeiture rate	Nil

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

d) Stock options (continued)

As at October 31, 2021, the following share purchase options were outstanding and exercisable:

Expiry Date	Exercise price	Remaining life	Options outstanding
	$	(years)	#
November 4, 2030	0.24	9.01	580,000
December 28, 2030	0.30	9.16	1,250,000
January 26, 2031	0.42	9.24	200,000
February 26, 2031	1.10	9.33	1,450,000
			3,480,000

e) Warrants

The balance of warrants outstanding as at October 31, 2021 and 2020 and the changes for the years then ended is as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining
	#	$	(years)
Balance, October 31, 2020 and 2019	**-**	**-**	**-**
Issued	31,685,583	0.51	
Exercised	(1,340,000)	0.35	
Balance, October 31, 2021	**30,345,583**	**0.51**	**1.10**

As at October 31, 2021, the following share purchase warrants were outstanding and exercisable:

Expiry Date	Exercise price	Remaining life	Warrants outstanding
	$	(years)	#
February 26, 2022	0.78	0.32	4,182,415
November 4, 2022	0.35	1.01	1,486,667
December 16, 2022	0.35	1.13	7,173,334
December 23, 2022	0.35	1.15	2,544,667
January 26, 2023	0.42	1.24	3,100,000
February 9, 2023	0.63	1.28	610,000
February 26, 2023	0.60	1.32	11,248,500
			30,345,583

(Expressed in Canadian Dollars)

5. SHARE CAPITAL (continued)

f) Agent warrants

The balance of agent warrants outstanding as at October 31, 2021 and 2020 and the changes for the years then ended is as follows:

	Number of Warrants	Weighted Average Exercise Price	Weighted Average Life Remaining
	#	$	(years)
Balance, October 31, 2020 and 2019	**-**	**-**	**-**
Issued	1,751,350	0.40	
Exercised	(8,000)	0.35	
Balance, October 31, 2021	**1,743,350**	**0.40**	**1.25**

As at October 31, 2021, the following agent warrants were outstanding and exercisable:

Expiry Date	Exercise price	Remaining life	Warrants outstanding
	$	(years)	#
December 16, 2022	0.35	1.12	713,695
February 26, 2023	0.40	1.32	740,680
February 26, 2023	0.52	1.32	288,975
			1,743,350

During the year ended October 31, 2021, the Company issued a total of 1,751,350 agent warrants with a fair value of $940,067. The Company fair valued the agent warrants granted using the Black-Scholes option pricing model based on the following assumptions:

	2021
Risk-free rate	0.21% - 0.31%
Expected life of options (years)	2 years
Annualized Volatility	88% - 133%
Dividend rate	Nil
Forfeiture rate	Nil

6. FLOW-THROUGH SHARE PREMIUM LIABILITY

A summary of the changes in the Company's flow-through share premium liability is as follows:

	$
Balance, October 31, 2019 and 2020	-
Flow-through share premium recognized upon issuance	501,890
Reduction pursuant to incurring qualified expenditures	(326,871)
Balance, October 31, 2021	**175,019**

(Expressed in Canadian Dollars)

7. 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 was to be 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 was to be 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 LOI expired and the proposed acquisition was terminated. The loan remains unpaid past its due date.

During the year ended October 31, 2021, the Company recorded interest revenue of $16,280 (2020 - $10,031) on the loans advanced to 152 Tech. As at October 31, 2021, the total loan receivable balance is $280,231 (October 31, 2020 - $263,951).

8. RELATED PARTY TRANSACTIONS

Key management of the Company includes the Chief Executive Officer, Chief Financial Officer and directors of the Company. The Company incurred the following charges with directors and officers of the Company and/or companies controlled by them during the years ended October 31, 2021 and 2020:

	2021	2020
	$	$
Consulting Fees	354,500	-
Professional fees	130,000	-
Share based compensation	678,935	-
	1,163,435	-

During the year ended October 31, 2021, the Company paid consulting fees of $176,000 to a company controlled by the CEO of the Company, paid professional fees of $110,000 to a company controlled by the CFO of the Company, and paid consulting fees of $165,000 to a company controlled by a former director of the Company.

During the year ended October 31, 2021, the Company paid $49,300 (2020 - $nil) in Folkestone Property exploration expenditures to Iron Mask Exploration, a company controlled by a Director.

Related party transactions are measured at the exchange amount of consideration agreed between the related parties.

9. 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.

10. FINANCIAL INSTRUMENTS

a) Fair value of financial instruments

The Company's financial instruments consist of cash, marketable securities, loan receivable, and accounts payable. The Company designated its cash, marketable securities 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, 2021, the Company believes that the carrying values of cash, marketable securities, loan receivable, and accounts payable approximate their fair values because of their nature and relatively short maturity dates or durations.

	Fair Value Measurements Using			
	Quoted Prices in Active Markets For Identical Instruments (Level 1) $	Significant Other Observable Inputs (Level 2) $	Significant Unobservable Inputs (Level 3) $	Total $
Cash	3,438,154	–	–	3,438,154
Marketable securities	50,000	–	–	50,000
Total	**3,488,154**	–	–	**3,488,154**

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. The Company is exposed to credit risk related to its loan receivable which is currently over due.

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.

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.

(Expressed in Canadian Dollars)

11. INCOME TAXES

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

	Year ended October 31, 2021	**Year ended October 31, 2020**
Statutory tax rate	**27%**	**27%**
	$	**$**
Loss before income taxes	(6,715,486)	(112,719)
Expected income tax recovery at statutory rate	(1,813,000)	(30,500)
Permanent differences and other	1,038,000	1,500
Change in deferred tax asset not recognized	775,000	29,000
Income tax recovery	**-**	**-**

The significant components of the Company's deferred income tax assets as at October 31, 2021 and 2020 are as follows:

	2021	**2020**
	$	**$**
Non-capital loss carry forward	1,070,000	65,000
Exploration and evaluation assets	(361,000)	-
Share issuance costs	129,000	5,000
Marketable securities	7,000	-
Unrecognized deferred income tax assets	(845,000)	(70,000)
Net deferred tax asset	**-**	**-**

The Company has non-capital losses carried forward for income tax purposes of approximately $3,962,000 which can be applied against future years' taxable income. Their expiry dates range from 2037 to 2041. Future tax benefits, which may arise as a result of these losses, have not been recognized in these financial statements.

	$
2037	1,000
2038	44,000
2039	73,000
2040	122,000
2041	3,722,000
	3,962,000

12. COMMITMENTS

During the year ended October 31, 2021, the Company issued flow-through common shares for gross proceeds of $2,174,856. Expenditures related to the use of flow-through share proceeds are not available as a tax deduction to the Company as the tax benefits of these expenditures are renounced to the investors. As at October 31, 2021, the Company had $647,327 in unspent flow-through funds. The Company is required to incur these expenditures before December 31, 2021 under the general rule and before December 31, 2022 under the look-back rule.

13. SUBSEQUENT EVENT

On February 4, 2022, the Company entered into an option agreement (the "Agreement") to acquire a 100% interest in 232 claims located near Terrenceville, Newfoundland (the "Blue Cover Copper Property"). Pursuant to the Agreement, the Company is required to make cash payments totaling $160,000 in cash, issue 1,700,00 common shares of the Company, and incur a minimum of $750,000 in exploration expenditures on or before the fourth anniversary of the Agreement. The Company has issued 250,000 common shares on February 8, 2022.