# GOLDEN INDEPENDENCE MINING CORP.

# (FORMERLY 66 RESOURCES CORP.)

# FINANCIAL STATEMENTS

# FOR THE YEARS ENDED NOVEMBER 30, 2020 AND 2019

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## INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of Golden Independence Mining Corp. (formerly 66 Resources Corp.)

### Opinion on the financial statements

We have audited the accompanying financial statements of Golden Independence Mining Corp. (the "Company') which comprise the statements of financial position as at November 30, 2020 and 2019, and the statements of comprehensive loss, changes in equity and cash flows for the years ended November 30, 2020 and 2019, and the related notes, including a summary of significant accounting policies and other explanatory information (collectively referred to as the "financial statements").

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at November 30, 2020 and 2019, and its financial performance and its cash flows for the years ended November 30, 2020 and 2019 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 audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the accompanying financial statements, which indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Other Information

Management is responsible for the other information, which comprises the information included in the Management's Discussion and Analysis filed with the relevant Canadian Securities Commissions.

Our opinion on the financial statements does not cover the other information and do not and will not express any form of assurance conclusion thereon. In connection with our audits 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 and remain alert for indicators that the other information 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 these 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.

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 Fernando J. Costa.

Manning Elliott LLP

CHARTERED PROFESSIONAL ACCOUNTANTS
Vancouver, British Columbia
March 30, 2021

(Expressed in Canadian dollars)

| | November 30, 2020 | November 30, 2019 |
|---|---|---|
| **ASSETS** | | |
| CURRENT | | |
| Cash | $ 2,895,598 | $ 478,345 |
| Amounts receivable | 43,914 | 1,427 |
| Prepaid expense | 98,155 | 3,500 |
| | 3,037,667 | 483,272 |
| EXPLORATION AND EVALUATION ASSETS (Note 5) | 1,873,323 | 223,127 |
| | $ 4,910,990 | $ 706,399 |
| **LIABILITIES** | | |
| CURRENT | | |
| Accounts payable and accrued liabilities (Note 7) | $ 401,730 | $ 7,398 |
| **EQUITY** | | |
| SHARE CAPITAL (Note 6) | 5,816,051 | 1,070,819 |
| CONTRIBUTED SURPLUS (Note 6) | 1,217,227 | 188,736 |
| DEFICIT | (2,524,018) | (560,554) |
| | 4,509,260 | 699,001 |
| | $ 4,910,990 | $ 706,399 |

NATURE OF OPERATIONS (Note 1)
SUBSEQUENT EVENTS (Note 11)

Approved and authorized for issue on behalf of the Board on March 30, 2021:

*"Christos Doulis"* Director

*"Timothy Henneberry"* Director

The accompanying notes are an integral part of these financial statements

**GOLDEN INDEPENDENCE MINING CORP. (FORMERLY 66 RESOURCES CORP.)**
**STATEMENTS OF COMPREHENSIVE LOSS**
(Expressed in Canadian dollars)

| | Year ended November 30, 2020 | Year ended November 30, 2019 |
|---|---|---|
| EXPENSES | | |
| Advertising and promotion | $ 419,080 | $ – |
| Consulting fees (Note 7) | 317,224 | – |
| Insurance | 12,500 | – |
| Management fees (Note 7) | 74,500 | 42,000 |
| Office and miscellaneous | 4,505 | 3,022 |
| Professional fees | 130,520 | 58,397 |
| Rent | 31,809 | 26,595 |
| Share-based payments (Note 7) | 905,633 | – |
| Transfer agent and filing fees | 62,058 | 16,217 |
| Travel and promotion | 5,635 | 21,629 |
| NET LOSS AND COMPREHENSIVE LOSS | $ 1,963,464 | $ 167,860 |
| LOSS PER SHARE (basic and diluted) | $ (0.11) | $ (0.01) |
| WEIGHTED AVERAGE NUMBER OF COMMON SHARE OUTSTANDING | 17,989,355 | 11,499,894 |

The accompanying notes are an integral part of these financial statements

**GOLDEN INDEPENDENCE MINING CORP. (FORMERLY 66 RESOURCES CORP.)**
**STATEMENTS OF CHANGES IN EQUITY**
(Expressed in Canadian dollars)

| | Common Shares | | | | | |
|---|---|---|---|---|---|---|
| | Number of Shares | Amount | Contributed Surplus | Deficit | Total |
| Balance, November 30, 2019 | 14,969,855 | $ 1,070,819 | $ 188,736 | $ (560,554) | $ 699,001 |
| Shares issued for cash, net of share issuance costs | 14,285,714 | 3,730,242 | 136,833 | – | 3,867,075 |
| Shares issued for mineral property finder's fees and advisory services | 1,600,000 | 648,000 | – | – | 648,000 |
| Shares issued for mineral property option agreements | 500,000 | 202,500 | – | – | 202,500 |
| Shares issued in exercise of warrants | 1,856,865 | 142,580 | (3,315) | – | 139,265 |
| Shares issued in exercise of options | 75,000 | 21,910 | (10,660) | – | 11,250 |
| Share-based payments | – | – | 905,633 | – | 905,633 |
| Net loss for the year | – | – | – | (1,963,464) | (1,963,464) |
| Balance, November 30, 2020 | 33,287,434 | $ 5,816,051 | $ 1,217,227 | $ (2,524,018) | $ 4,509,260 |
| | | | | | |
| Balance, November 30, 2018 | 8,032,398 | $ 568,312 | $ 180,828 | $ (392,694) | $ 356,446 |
| Shares issued for cash | 6,900,497 | 492,897 | 11,974 | – | 504,871 |
| Shares issued in exercise of warrants | 36,960 | 9,610 | (4,066) | – | 5,544 |
| Net loss for the year | – | – | – | (167,860) | (167,860) |
| Balance, November 30, 2019 | 14,969,855 | $ 1,070,819 | $ 188,736 | $ (560,554) | $ 699,001 |

The accompanying notes are an integral part of these financial statements

**GOLDEN INDEPENDENCE MINING CORP. (FORMERLY 66 RESOURCES CORP.)**
**STATEMENTS OF CASH FLOWS**
(Expressed in Canadian dollars)

| | | Year ended November 30, 2020 | | Year ended November 30, 2019 |
|---|---|---|---|---|
| CASH PROVIDED BY (USED IN): | | | | |
| OPERATING ACTIVITIES | | | | |
| Net loss for the year | $ | (1,963,464) | $ | (167,860) |
| Items not involving cash: | | | | |
| Share-based payments | | 905,633 | | – |
| Changes in non-cash working capital balances: | | | | |
| Amounts receivable | | (42,487) | | 11,671 |
| Accounts payable and accrued liabilities | | 394,332 | | (3,951) |
| Prepaid expenses | | (94,655) | | – |
| Cash used in operating activities | | (800,641) | | (160,140) |
| INVESTING ACTIVITIES | | | | |
| Mineral property acquisition and exploration costs | | (799,696) | | – |
| Cash used in investing activities | | (799,696) | | – |
| FINANCING ACTIVITIES | | | | |
| Exercise of warrants | | 139,265 | | 5,544 |
| Exercise of options | | 11,250 | | – |
| Issuance of common shares, net of share issuance costs | | 3,867,075 | | 504,871 |
| Cash provided by financing activities | | 4,017,590 | | 510,415 |
| CHANGE IN CASH | | 2,417,253 | | 350,275 |
| CASH, BEGINNING OF YEAR | | 478,345 | | 128,070 |
| CASH, END OF YEAR | $ | 2,895,598 | $ | 478,345 |
| SUPPLEMENTAL DISCLOSURES | | | | |
| Interest paid | $ | - | $ | - |
| Income taxes paid | $ | - | $ | - |

The accompanying notes are an integral part of these financial statements

1. NATURE OF OPERATIONS

Golden Independence Mining Corp. (the "Company") was incorporated on May 31, 2017 under the laws of British Columbia. The address of the Company's corporate office and its principal place of business is 503-905 Pender St. W, Vancouver, British Columbia, Canada, V6C 1L6.

On September 8, 2020, the Company's name was changed from 66 Resources Corp. to Golden Independence Mining Corp. and the Company began trading under the stock symbol "IGLD". The Company's CUSIP number for the common shares was also updated on September 8, 2020 to 381083104.

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at November 30, 2020, the Company had not yet determined whether the Company's mineral property asset contains ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition. The outcome of these matters cannot be predicted at this time. These conditions indicate the existence of a material uncertainty that may cast significant doubt upon the Company's ability to continue as a going concern.

The outbreak of the Coronavirus Disease 2019, or COVID-19, has spread across the globe and is impacting worldwide economic activity. This global pandemic poses the risk that the Company or its clients, employees, contractors, suppliers, and other partners may be unable to conduct regular business activities for an indefinite period of time. At this point, the impact on the Company has been minimal. The Company continues to monitor the situation and is taking all necessary precautions in order to follow rules and best practices as set out by the federal and provincial governments.

The Company had a deficit of $2,524,018 as at November 30, 2020, which has been funded by the issuance of equity. The Company's ability to continue its operations and to realize its assets at their carrying values is dependent upon obtaining additional financing and generating revenues sufficient to cover its operating costs.

These financial statements do not give effect to any adjustments which would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and discharge its liabilities in other than the normal course of business and at amounts different from those reflected in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB").

The financial statements were authorized for issue in accordance with a resolution from the Board of Directors on March 30, 2021.

b) Basis of presentation

The financial statements have been prepared on the historical cost basis, with the exception of financial instruments which are measured at fair value, as explained in the accounting policies set out below. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The accounting policies set out below have been applied consistently to all years presented in these financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial Instruments

Financial Assets

On initial recognition financial assets are classified as measured at:

i. Amortized cost;
ii. Fair value through other comprehensive income ("FVOCI"); and
iii. Fair value through profit and loss ("FVTPL").

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at FVTPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Financial assets are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent measurement of financial assets depends on their classification:

i. Amortized cost
Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at amortized cost.

ii. FVOCI
Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains and losses, interest revenue, and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains (losses). Interest income from these financial assets is included as finance income using the effective interest rate method.

The Company does not have any assets classified at FVOCI.

iii. FVTPL
Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on an investment that is subsequently measured at FVTPL is recognized in profit or loss and presented net as revenue in the Statement of Loss and Comprehensive Loss in the period in which it arises.

The Company's cash is classified at FVTPL.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

c) Financial Instruments (continued)

Financial Liabilities and Equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the group entities are recorded at the proceeds received, net of direct issue costs.

Financial liabilities are classified as measured at (i) FVTPL; or (ii) amortized cost.

A financial liability is classified as at FVTPL if it is classified as held-for-trading or is designated as such on initial recognition. Directly attributable transaction costs are recognized in profit or loss as incurred. The amount of change in the fair value that is attributable to changes in the credit risk of the liability is presented in OCI and the remaining amount of the change in the fair value is presented in profit or loss.

The Company does not classify any financial liabilities at FVTPL.

Other non-derivative financial liabilities are initially measured at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these liabilities are measured at amortized cost using the effective interest method.

The Company classifies its accounts payable at amortized cost.

A financial liability is derecognized when the contractual obligation under the liability is discharged, cancelled or expires or its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

d) Mineral properties

Once the legal right to explore a property has been acquired, costs directly related to exploration and evaluation expenditures are recognized and capitalized, in addition to the acquisition costs. These direct expenditures include such costs as mineral concession taxes, option payments, wages and salaries, surveying, geological consulting and laboratory, field supplies, travel and administration. Costs not directly attributable to exploration and evaluation activities, including general administrative overhead costs, are expensed in the period in which they are incurred. Exploration and evaluation properties are not amortized during the exploration and evaluation stage. Once the technical feasibility and commercial viability of extracting the mineral resource has been determined, the property is considered to be a mine under development and is classified as ‘mines under construction’.

e) Impairment of non-financial assets

Non-financial assets, including mineral properties are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its recoverable amount, which is the higher of value in use and fair value less costs to sell, the asset is written down to its recoverable amount. An impairment loss is charged to statements of comprehensive loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

e) Impairment of non-financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in income or loss.

The recoverable amount is the higher of the fair value less costs of disposal and the value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash generating units" or "CGU"s). These are typically the individual properties or projects.

f) Reclamation provisions

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

When an obligation is initially recognized, the corresponding cost is capitalized to the carrying amount of the related asset in mine property, plant and equipment. These costs are depreciated on a basis consistent with the depreciation, depletion, and amortization of the underlying assets. The obligation is accreted over time for the change in its present value, with this accretion charge recognized as a finance expense in profit or loss. Additional environment disturbances or changes in reclamation costs will be recognized as additions to the corresponding assets and reclamation provision in the year in which they occur.

Additional environment disturbances or changes in rehabilitation costs will be recognized as additions to the corresponding assets and rehabilitation liability in the year in which they occur. The Company has no material restoration, reclamation, rehabilitation or environmental obligation as the disturbance to date is minimal.

g) Share-based payments

Share-based payments to employees are measured at fair value of the instruments issued and amortized over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to contributed surplus. The fair value of options is determined using the Black-Scholes Option Pricing Model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

h) Cash and cash equivalents

Cash and cash equivalents include cash on hand readily convertible into a known amount of cash and can be redeemed at any time without penalties, and amounts held in trust.

i) Share capital

The Company's common shares, and any future offerings of share warrants and options are classified as equity instruments. Incremental costs directly related to the issue of new shares or options are shown in equity as a deduction from the proceeds. For equity offerings of units consisting of a common share and warrant, when both instruments are classified as equity. Warrants that are part of units are accounted for using the residual method, following an allocation of the unit price to the fair value of the common shares that were concurrently issued. Warrants that are issued as payment for an agency fee or other transactions costs are accounted for as share-based payments.

j) Income taxes

Income taxes comprises both current and deferred tax. Income tax is recognized in the statement of loss except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the income tax is also recognized in other comprehensive income or directly in equity. Current income taxes are the expected taxes payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to taxes payable in respect of previous years.

The Company accounts for potential future net tax assets which are attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and which are measured using tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be settled. When the future realization of income tax assets does not meet the test of being more likely than not to occur, no net asset is recognized.

k) Loss per share

Basic loss per share is calculated by dividing the net loss for the period available to common shareholders by the weighted average number of shares outstanding during the period. Diluted earnings per share reflect the potential dilution of securities that could share in earnings of an entity. Basic and diluted loss per share are the same for the periods presented. The Company uses the treasury stock method of calculating fully diluted earnings per share amounts, whereby any proceeds from the exercise of stock options or other dilutive instruments are assumed to be used to purchase common shares at the average market price during the year.

l) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the currency of the primary economic environment in which the Company operates ("the functional currency"), are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at exchange prevailing on the statement of financial position date are recognized in the statement of comprehensive loss.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

m) Change in accounting standards

New accounting standards effective for annual periods on or after December 1, 2019:

*IFRS 16 – Leases*
IFRS 16 replaces IAS 17, "Leases" and the related interpretative guidance. IFRS 16 applies a control model to the identification of leases, distinguishing between a lease and a service contract on the basis of whether the customer controls the asset being leased. For those assets determined to meet the definition of a lease, IFRS 16 introduces significant changes to the accounting by lessees, introducing a single, on-balance sheet accounting model that is similar to current finance lease accounting, with limited exceptions for short-term leases or leases of low value assets. Lessor accounting is not substantially changed. The standard is effective for periods beginning on or after January 1, 2019, with early adoption permitted for entities that have adopted IFRS 15, "Revenue from Contracts with Customers".

The adoption of IFRS 16 did not have a material impact on the Company's financial statements.

*IFRIC 23 – Uncertainty over Income Tax Treatments*
IFRIC 23 provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The Interpretation is applicable for annual periods beginning on or after January 1, 2019. Earlier application is permitted. The Interpretation requires: (a) an entity to contemplate whether uncertain tax treatments should be considered separately, or together as a group, based on which approach provides better predictions of the resolution; (b) an entity to determine if it is probable that the tax authorities will accept the uncertain tax treatment; and (c) if it is not probable that the uncertain tax treatment will be accepted, measure the tax uncertainty based on the most likely amount or expected value, depending on whichever method better predicts the resolution of the uncertainty.

The adoption of IFRIC 23 did not have a material effect on the Company's financial statements.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these financial statements requires management to make certain estimates, judgements and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the reporting year. Actual outcomes could differ from these estimates. These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the year in which the estimate is revised and future years if the revision affects both current and future years. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the financial position reporting date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

(Expressed in Canadian dollars)

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (continued)

*Significant accounting estimates*

i. the measurement of deferred income tax assets and liabilities; and
ii. the inputs used in accounting for share-based payments.

*Significant accounting judgements*

i. the determination of categories of financial assets and financial liabilities;
ii. the evaluation of the Company's ability to continue as a going concern; and
iii. the assessment of impairment of the Company's exploration and evaluation assets and related determination of the net realizable value and write-down of the exploration and evaluation assets where applicable.

4. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are no accounting pronouncements with future effective dates that are applicable or are expected to have a material impact on the Company's financial statements.

5. EXPLORATION AND EVALUATION ASSETS

For year ended November 30, 2020 the Company had following expenditure to acquire and exploration of mineral properties.

| | Champ Property | Independence Property | Total |
|---|---|---|---|
| **Acquisition Costs:** | | | |
| Balance, November 30, 2018 | $ 55,000 | $ - | $ 55,000 |
| Acquisition costs | - | - | - |
| Balance, November 30, 2019 | 55,000 | - | 55,000 |
| Cash | - | 167,589 | 167,589 |
| Shares issued | - | 850,500 | 850,500 |
| Balance, November 30, 2020 | $ 55,000 | $ 1,018,089 | $ 1,073,089 |
| **Exploration Costs:** | | | |
| Balance, November 30, 2018 | $ 168,127 | $ - | $ 168,127 |
| Exploration costs | - | - | - |
| Balance, November 30, 2019 | 168,127 | - | 168,127 |
| Assay | - | 327,693 | 327,693 |
| Field work | - | 161,056 | 161,056 |
| Technical | 20,372 | 101,963 | 122,335 |
| Licensing | - | 35,392 | 35,392 |
| Travel | - | 9,183 | 9,183 |
| Exploration credit | (23,552) | - | (23,552) |
| Balance, November 30, 2020 | 164,947 | 635,287 | 800,234 |
| **Total, November 30, 2019** | $ 223,127 | $ - | $ 223,127 |
| **Total, November 30, 2020** | $ 219,947 | $ 1,653,376 | $ 1,873,323 |

5. EXPLORATION AND EVALUATION ASSET (continued)

**Champ Property**

Pursuant to an option agreement (the “Agreement”) dated August 24, 2017, the Company was granted an option to acquire a 100% undivided interest in the Champ Property (the “Property”) located in the Greenwood Mining District of British Columbia.

In accordance with the Agreement, the Company acquired a 100% undivided interest in the Property by issuing a total of 300,000 common shares of the Company and making a payment of $10,000.

The optionor retains a 2% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $1,000,000 and the remaining 1% for $1,000,000 at any time during the five-year period starting from the date of commencement of commercial production.

On January 22, 2021, the Company’s Board of Directors approved, in principle, a strategic reorganization of the Company’s assets pursuant to which the Company would spin off its Champ precious metal property into a newly incorporation subsidiary (“SpinCo”).

It is proposed that the transaction will be carried out by way of statutory plan of arrangement pursuant to the Business Corporations Act of British Columbia. Under the terms of the Spin-Out, shareholders of the Company would exchange their existing common shares of the Company for the same number of new common shares of the Company and common shares of SpinCo.

**Independence Property**

Pursuant to an option agreement (the “Option Agreement”) dated August 28, 2020, the Company was granted an option to acquire up to a 75% interest in the Independence Gold Project (the “Property”) located in Lander County, Nevada. The underlying option agreement dated February 3, 2017 is between Independence Gold and Silver Mines Inc. (the “Owner”) and Americas Gold Exploration Inc. (“AGEI”).

In accordance with the terms of the Option Agreement, the Company will be obligated to meet the following in accordance with the time periods set forth in the Option Agreement, in order to earn a 51% interest in the Project (“Initial Earn-In Option”):

a) Within 30 days of execution of the Option Agreement, issue 500,000 common shares to AGEI **(ISSUED)**;
b) Within 30 days of execution of the Option Agreement pay US$50,000 to AGEI **(PAID)**;

5. EXPLORATION AND EVALUATION ASSET (continued)

c) Make cash payments totalling US$4,300,000 to the Owner as per the following schedule:

   i) Cash payment of US$75,000 to the Owner on or before August 31, 2020 **(PAID);**
   ii) Cash payment of US$75,000 to the Owner on or before December 15, 2020 **(PAID)**;
   iii) Cash payment of US$75,000 to the Owner on or before June 1, 2021;
   iv) Cash payment of US$75,000 to the Owner on or before December 15, 2021;
   v) Cash payment of US$4,000,000 to the Owner on or before December 31, 2021.

In the event the Company makes the $4,000,000 cash payment due under 5(c)(v) on or before May 31, 2021, the cash payments set forth as under Section 5(c)(iii) and 5(c)(iv) will not longer be required.

d) Incur expenditures of not less than US$3,000,000 as per the following schedule:

   i) Expenditures in the amount of at least US$1,250,000 on or before December 31, 2020, of which US$350,000 must be incurred on or before October 31, 2020, subject to award of all necessary Permits and contractor availability;
   ii) Expenditures in the amount of at least an additional US$1,750,000 on or before December 31, 2021.

In accordance with the terms of the Option Agreement, upon exercising the Initial Earn-In Option, a joint venture (the “Joint Venture”) will be formed. A Joint Venture Agreement will be negotiated and entered into by the Company and AGEI as soon as practicable thereafter, and in any event within thirty days of the exercise of the Initial Earn-In Option.

Upon formation of the Joint Venture, the Company will hold a 51% interest and AGEI will hold a 49% interest. For one year from the effective date of the Joint Venture Agreement, the Company will be entitled to provide AGEI with notice that it is exercising the option to acquire an additional 24% interest in the Property (the “Bump Up Option”). If AGEI does not reject the option or the Bump Up Option, the Company shall be entitled, for a period of four years from the date of the Bump-Up Option Notice of Intent, to acquire up to an additional 24% in the Joint Venture through the funding of up to US$10,000,000 in expenditures provided, for each US$1,000,000 of expenditures incurred by the Company during the Bump Up Option term, the Company shall be entitled to an additional 2.4% interest in the Joint Venture.

Upon the Company earning a 75% share in the Joint Venture, AGEI will be entitled to receive a 2% Net Smelter Returns royalty on the Property. The Company has the right to purchase the first 1% of the royalty for $1,000,000 and the remaining 1% for $1,000,000 at any time during the starting from the date of commencement of commercial production.

Subsequent to year-end, on January 25, 2021, AGEI and the Owner amended the terms of the underlying option agreement between AGEI and the Owner. Pursuant to an amending agreement, the original requirement to make a US$4,000,000 cash payment on or before December 31, 2021 was revised to require a cash payment of US$1,700,000 and the issuance of 4,900,000 common shares of the Company to the Owner on or before January 29, 2021. Upon final payment being made, AGEI will have earned its entitlement to the Property subject to a 2% NSR under the underlying option agreement. In connection with the amending agreement, the Company also agreed to pay a consulting fee of US$50,000 in cash and issued 122,500 common shares.

Subsequent to year-end, the Company has issued 5,022,500 common shares of the Company and paid a total of US$1,750,000 pursuant to the amending agreement.

6. SHARE CAPITAL

a) Authorized:

The Company is authorized to issue an unlimited number of common shares without par value.

b) Escrow Shares:

The Company entered into an escrow agreement, whereby common shares will be held in escrow and are scheduled for release at 10% on the listing date and 15% on every six month from date of listing. At November 30, 2020, there were 450,000 (2019 – 900,000) common shares held in escrow.

c) Issued and Outstanding:
As at November 30, 2020 there were 33,287,434 (2019 – 14,969,855) common shares issued and outstanding.

For the year ended November 30, 2020, the Company had the following share capital transactions:

(i) On September 29, 2020, the Company issued 14,285,714 units at $0.28 per unit for gross proceeds of $4,000,000 pursuant to a private placement. Each unit is comprised of one common share and one-half share purchase warrant. Each warrant is exercisable at a price of $0.42 per share over a one-year period. The warrants contain an acceleration provision which will provide that, should the Company's common shares trade at or above $0.65 for a period of ten or more consecutive trading days (the "Acceleration Condition"), the expiry date of the Warrants will be accelerated to 30 days from the date that the Company provides notice (whether by written notice to the holder or the issuance of a press release) that the Acceleration Condition has been satisfied.

In connection with the private placement, the Company paid an aggregate of $132,925 in cash finders' fees and issued a total of 462,731 share purchase warrants which are subject to a statutory hold period of four months and one day from the date of issuance. The fair value of the finder warrants was estimated to be $136,833, calculated using the Black-Scholes option pricing model assuming an expected life of 12 months, a risk-free interest rate of 0.20%, an expected dividend rate of 0%, and an expected annual volatility of 218%.

(ii) On September 25, 2020, the Company issued 500,000 common shares with a fair value of $202,500 as part of the option agreement for the Independence Property (Note 5). In connection with the option agreement, the Company issued 1,100,000 common shares to a third party as a finder's fee and 500,000 common shares to a third party as an advisory fee with a fair value of $445,500 and $202,500 respectively.

(iii) On August 18, 2020, the Company issued 75,000 common shares related to the exercise of options for gross proceeds of $11,250.

(iv) During the year, the Company issued 1,856,865 common shares related to the exercise of warrants for gross proceeds of $139,625.

For the year ended November 30, 2019, the Company had the following share capital transactions:

(i) On May 31, 2019, the Company issued 6,900,497 units at $0.075 per unit for gross proceeds of $517,537. Each unit is comprised of one common share and one share purchase warrant. Each warrant is exercisable at a price of $0.075 per share over a two-year period. The Company also incurred share issue costs of $12,666 in finders' fees and issued 167,550 finders warrants, exercisable at a price of $0.0.75 per share for period of two years. The fair value of the finder warrants was estimated to be $11,974. These warrants are not subject to any hold period.

6. SHARE CAPITAL (continued)

c) Issued and Outstanding (continued):

(ii) On August 28, 2019, the Company issued 3,850 common shares related to the exercise of warrants for gross proceeds of $577.

On September 16, 2019, the Company issued 33,110 common shares related to the exercise of warrants for gross proceeds of $4,967.

d) Stock options

During the period ended November 30, 2018, the Company adopted a Stock Option Plan (the "Plan"). Under the Plan, the Company can issue up to 10% of the issued and outstanding common shares as incentive stock options to directors, officers, employees and consultants to the Company. The Plan limits the number of stock options which may be granted to any one individual to not more than 5% of the total issued common shares of the Company in any 12-month period. The Plan also limits the stock options which may be granted to any one individual if the exercise would result in the issuance of common shares more than 2% in any 12-month period. The number of options granted to any one consultant or a person employed to provide investor relations activities in any 12-month period must not exceed 2% of the total issued common shares of the Company. As well, stock options granted under the Plan may be subject to vesting provisions as determined by the Board of Directors.

On December 29, 2017, the Company granted 700,000 stock options to certain directors and officers of the Company at an exercise price of $0.20 for a period of ten years from the date of grant. On February 22, 2018 the number of stock options was reduced to 665,000 and on April 19, 2018 the exercise price was reduced to $0.15. The fair value of these options was calculated to be $98,348. On August 18, 2020, 75,000 of the 665,000 stock options issued on December 29, 2017 were exercised for proceeds of $11,250.

On July 10, 2020, the Company granted 500,000 stock options to certain directors and officers of the Company at an exercise price of $0.075 for a period of five years. The options will vest in equal installments over an eighteen-month period. The fair value of these options on the date of grant was calculated to be $31,989 and will be recognized as share-based payments on the Company's Statement of Comprehensive Loss equally over the eighteen-month vesting period.

On September 3, 2020, the Company granted 50,000 stock options to certain contractors of the Company at an exercise price of $0.39 for a period of five years. The options vest in equal installments every three months beginning on grant date. The fair value of these options on the date of grant was calculated to be $26,418 and will be recognized as share-based payments on the Company's Statement of Comprehensive Loss.

On September 17, 2020, the Company granted 250,000 stock options to certain directors and officers of the Company at an exercise price of $0.46 for a period of 5 years. The options vest in equal installments every three months beginning on grant date. The fair value of these options on the date of grant was calculated to be $113,315 and will be recognized as share-based payments on the Company's statement of Comprehensive Loss.

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

   d) Stock options (continued)

On October 14, 2020, the Company granted 1,125,000 stock options to certain contractors, directors and officers of the Company at an exercise price of $0.52 for a period of 5 years. The options vest immediately, with the exception of 150,000 options paid to a consultant in which 75,000 options vest immediately and the remaining 75,000 vest in three months. The fair value of these options on the date of grant was calculated to be $581,644 and will be recognized as share-based payments on the Company's Statement of Comprehensive Loss.

On October 21, 2020, the Company granted 300,000 stock options to certain key consultants of the Company at an exercise price of $0.50 for a period of 3 years. The options vest immediately and the fair value of these options on the date of grant was calculated to be $147,005 and will be recognized as share-based payments on the Company's Statement of Comprehensive Loss.

On November 6, 2020, the Company granted 60,000 stock options to certain key consultants of the Company at an exercise price of $0.60 for a period of 3 years. The options vest immediately and the fair value of these options on the date of grant was calculated to be $32,720 and will be recognized as share-based payments on the Company's Statement of Comprehensive Loss.

On November 30, 2020, the Company granted 400,000 stock options to certain directors and officers of the Company at an exercise price of $0.70 for a period of five years from the date of grant. 100,000 options will vest per quarter beginning with the first 100,000 options vesting on November 30, 2020. The fair value of these options on the date of grant was calculated to be $232,237 and will be recognized as share-based payments on the Company's Statement of Comprehensive Loss.

The Company uses the Black-Scholes option pricing model to estimate the fair value for all share-based compensation. The weighted average assumptions used in this pricing model during the years ended November 30, 2020 and 2019, respectively, are as follows:

| | **2020** | **2019** |
|---|---|---|
| Exercise price | $ 0.46 | $ - |
| Risk-free dividend rate | 0.32% | - |
| Expected life of options | 4.73 | - |
| Dividend rate | 0.00% | - |
| Annualized volatility | 218% | - |

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

d) Stock options (continued)

A summary of change in stock options is as follows:

| | **Number** | **Weighted average exercise price $** |
|---|---|---|
| Balance, November 30, 2018 | 665,000 | 0.15 |
| Issued | – | - |
| Balance, November 30, 2019 | 665,000 | 0.15 |
| Issued | 2,685,000 | 0.46 |
| Exercised | (75,000) | 0.15 |
| Balance, November 30, 2020 | 3,275,000 | 0.40 |

As at November 30, 2020, the following stock options were outstanding and exercisable:

| | **Number exercisable** | **Number outstanding** | | **Exercise price** |
|---|---|---|---|---|
| October 21, 2023 | 300,000 | 300,000 | $ | 0.500 |
| November 6, 2023 | 60,000 | 60,000 | $ | 0.600 |
| July 10, 2025 | 500,000 | 125,000 | $ | 0.075 |
| September 3, 2025 | 50,000 | 50,000 | $ | 0.390 |
| September 17, 2025 | 250,000 | 250,000 | $ | 0.460 |
| October 14, 2025 | 1,125,000 | 1,050,000 | $ | 0.520 |
| November 30, 2025 | 400,000 | 400,000 | $ | 0.700 |
| December 29, 2027 | 590,000 | 590,000 | $ | 0.150 |
| Total | 3,275,000 | 2,825,000 | | |

The weighted average remaining life of stock options outstanding at November 30, 2020 is 5.02 years.

(Expressed in Canadian dollars)

6. SHARE CAPITAL (continued)

e) Warrants

A continuity of the warrants outstanding as at November 30, 2020 is as follows:

| | **Number** | **Weighted average exercise price $** |
|---|---|---|
| Balance, November 30, 2018 | 240,000 | 0.05 |
| Issued | 7,068,047 | 0.08 |
| Exercised | (36,960) | (0.08) |
| Balance, November 30, 2019 | 7,271,087 | 0.08 |
| Expired | (203,040) | (0.15) |
| Issued | 7,605,583 | 0.22 |
| Exercised | (1,856,865) | (0.08) |
| | 12,816,765 | |

A listing of warrants outstanding as at November 30, 2020 is as follows:

| **Expiry Date** | **Number** | **Weighted average exercise price** | **Weighted average years outstanding** |
|---|---|---|---|
| May 31, 2021 | 5,211,182 | $0.08 | 0.20 |
| September 30, 2021 | 7,605,583 | $0.42 | 0.50 |
| Total | 12,816,765 | $0.28 | 0.70 |

7. RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties may be individuals or corporate entities. A transaction is considered to be a related party transaction when there is a transfer of resources or obligations between related parties.

The Company has incurred the following key management personnel cost from related parties:

| | **Year ended November 30, 2020** | **Year ended November 30, 2019** |
|---|---|---|
| | $ | $ |
| Consulting fees | 193,000 | – |
| Management fees | 74,500 | 42,000 |
| Share-based payments | 404,306 | – |
| Total | 671,806 | 42,000 |

Key management includes directors and key officers of the Company, including the President, Chief Executive Officer (“CEO”) and Chief Financial Officer (“CFO”).

(Expressed in Canadian dollars)

7. RELATED PARTY BALANCES AND TRANSACTIONS (continued)

The Company has entered into an agreement with the Company's CEO, whereby the CEO will be paid a salary of $13,500 per month and is eligible for a signing bonus of $245,000. Pursuant to a subsequent amendment, the signing bonus was reduced to $192,500, which has been recorded as consulting fees on the statement of comprehensive loss.

As at November 30, 2020, included in the accounts payable was an amount of $199,147 (2019 - $Nil) due to officers of the Company. The amount is non-interest bearing, unsecured, due on demand and has no fixed terms of repayment.

8. INCOME TAXES

The Company has losses carried forward of approximately $1,528,000 (2019 - $414,000) available to reduce income taxes in future years which expire in 2040.

The Company has not recognized any deferred income tax assets. The Company recognizes deferred income tax assets based on the extent to which it is probably that sufficient taxable income will be realized during the carry forward years to utilize all deferred tax assets.

The following table reconciles the amount of income tax recoverable on application of the statutory Canadian federal and provincial income tax rates:

| | **Year ended November 30, 2020** | **Year ended November 30, 2019** |
|---|---|---|
| Canadian statutory income tax rate | 27% | 27% |
| Income tax recovery at statutory rate | $ (530,000) | $ (46,000) |
| Effect of income taxes of: | | |
| Permanent differences and other | 172,000 | (7,000) |
| Change in deferred tax assets not recognized | $ 358,000 | $ 53,000 |
| Deferred income tax recovery | – | – |

The temporary differences that give rise to significant portions of the deferred tax assets not recognized are presented below:

| | **Year ended November 30, 2020** | **Year ended November 30, 2019** |
|---|---|---|
| Non-capital loss carry forwards | $ 413,000 | $ 112,000 |
| Shares issuance cost | 62,000 | 5,000 |
| Deferred tax assets not recognized | $ (475,000) | $ (117,000) |
| | – | – |

9. MANAGEMENT OF CAPITAL

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the sourcing and exploration of its resource property. The Company does not have any externally imposed capital requirements to which it is subject.

The Company considers the aggregate of its share capital, contributed surplus and deficit as capital. 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 the capital structure, the Company may attempt to issue new shares or dispose of assets or adjust the amount of cash.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK

International Financial Reporting Standards 7, *Financial Instruments: Disclosures*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair Value of Financial Instruments

The Company's financial assets include cash and is classified as Level 1. The carrying value of these instruments approximates their fair values due to the relatively short periods of maturity of these instruments.

Assets measured at fair value on a recurring basis were presented on the Company's Statement of Financial Position as at November 30, 2020 are as follows:

| | 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 | 2,895,598 | – | – | 2,895,598 |

Fair value

The fair value of the Company's financial instruments approximates their carrying value as at November 30, 2020 because of the demand nature or short - term maturity of these instruments.

Financial risk management objectives and policies

The Company's financial instruments include cash and accounts payable. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

10. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)

(i) *Currency risk*

The Company's expenses are denominated in Canadian dollars. The Company's corporate office is based in Canada and current exposure to exchange rate fluctuations is minimal.

The Company does not have any significant foreign currency denominated monetary liabilities. The principal business of the Company is the identification and evaluation of assets or a business and once identified or evaluated, to negotiate an acquisition or participation in a business subject to receipt of shareholder approval and acceptance by regulatory authorities.

(ii) *Interest rate risk*

The Company is exposed to interest rate risk on the variable rate of interest earned on bank deposits. The fair value interest rate risk on bank deposits is insignificant as the deposits are short - term.

The Company has not entered into any derivative instruments to manage interest rate fluctuations.

(iii) *Credit risk*

Credit risk is the risk of loss associated with the counterparty's inability to fulfill its payment obligations. Financial instruments that potentially subject the Company to concentrations of credit risks consist principally of cash. To minimize the credit risk the Company places these instruments with a high quality financial institution.

(iv) *Liquidity risk*

In the management of liquidity risk of the Company, the Company maintains a balance between continuity of funding and the flexibility through the use of borrowings. Management closely monitors the liquidity position and expects to have adequate sources of funding to finance the Company's projects and operations.

11. SUBSEQUENT EVENTS

On December 8, 2020, 150,000 stock options granted on December 29, 2017 expired unexercised.

On December 11, 2020, the Company entered into an amended agreement with a consultant in which the signing bonus to be paid was reduced from $245,000 to $192,500. The Company agreed to satisfy the debt for the signing bonus by the issuance of 350,000 common shares at a deemed issue price of $0.55.

On December 13, 2020, the Company granted stock options to purchase an aggregate of up to 50,000 common shares in the capital of the Company for a period of five years with an exercise price of $0.55 per share.

On December 18, 2020, the Company issued a cash payment of US$75,000 in cash related to the terms of its option to acquire up to a 75% interest in the Independence Property.

Subsequent to November 30, 2020, the Company issued 10,493,273 common shares pursuant to the exercise of warrants for gross proceeds of $2,949,550.

On January 25, 2021, the terms of the option agreement related to the Independence Property were amended as described in Note 5.

On February 17, 2021, the Company granted stock options to purchase an aggregate of up to 350,000 common shares in the capital of the Company for a period of five years with an exercise price of $0.35 per share.