



**CREST RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2020 AND 2019**

## **Notice of No Auditor Review of Condensed Consolidated Interim Financial Statements**

The accompanying unaudited condensed consolidated interim financial statements have been prepared by management and approved by the Audit Committee.

The Company's independent auditors have not performed a review of these condensed consolidated interim financial statements in accordance with the standards established by the Chartered Professional Accountants of Canada for a review of condensed consolidated interim financial statements by an entity's auditors.

**CREST RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION**  
(Expressed in Canadian dollars)  
(Unaudited)

	November 30, 2020	May 31, 2020 (Audited)
<b>ASSETS</b>		
<b>CURRENT</b>		
	\$	\$
Cash	188,584	26,551
Restricted cash	5,025	5,000
Accounts receivable	599,691	2,874
Marketable securities (Note 4)	10,687,398	834,331
Prepaid expenses and advance (Note 5)	4,000	130,009
GST recoverable	3,825	12,966
Notes receivable (Note 6)	490,493	22,739
	<b>11,979,016</b>	1,034,470
Investment in associate (Note 8)	1,114,522	505,308
Exploration and evaluation assets (Note 9)	1,330,832	1,187,697
	<b>\$ 14,424,370</b>	<b>\$ 2,727,475</b>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 918,198	694,422
Deferred revenue	150,000	137,500
Notes payable	-	6,705
Loans payable (Note 10)	282,075	106,361
	<b>1,250,273</b>	944,988
CEBA loan (Note 11)	40,000	40,000
	<b>\$ 1,290,273</b>	<b>\$ 984,988</b>
<b>SHAREHOLDERS' EQUITY</b>		
Share capital (Note 12)	2,811,718	1,955,042
Reserves	171,054	234,407
Retained earnings (deficit)	10,099,865	(558,730)
Total equity attributable to shareholders of the company	13,082,637	1,630,719
Non-controlling interest	51,460	111,768
Total equity	13,134,097	1,742,487
	<b>\$ 14,424,370</b>	<b>\$ 2,727,475</b>

NATURE OF OPERATIONS AND GOING CONCERN (Note 1)

COMMITMENTS (Note 16)

SUBSEQUENT EVENTS (Note 18)

Approved and authorized for issue on behalf of the Board on January 28<sup>th</sup>, 2021

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director

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

**CREST RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE LOSS**  
(Expressed in Canadian dollars)  
(Unaudited)

	Three months ended November 30,		Six months ended November 30,	
	2020	2019	2020	2019
<b>REVENUE</b>				
Management fees	\$ 138,750	\$ 69,000	\$ 527,250	\$ 69,000
<b>EXPENSES</b>				
Bank charges	1,117	2,998	1,904	3,392
Business development	-	7,844	-	10,344
Consulting fees	88,000	50,000	152,347	50,000
Interest expenses	22,233	-	20,018	-
Management fees (Note 13)	58,000	72,500	177,222	92,500
Marketing fees (Note 13)	396	16,570	7,356	18,537
Office	3,622	8,146	10,143	8,348
Professional fees	30,873	19,030	84,039	24,971
Rent	-	3,207	-	3,207
Salaries (Note 13)	6,417	14,957	16,043	37,962
Share-based payments (Note 12)	-	980	98,819	1,961
Transfer agent and filing fees	13,046	8,414	23,876	16,569
Travel	-	9,176	41	9,176
	(223,704)	(213,822)	(591,808)	(276,967)
<b>LOSS BEFORE OTHER ITEMS</b>	(84,954)	(144,822)	(64,558)	(207,967)
<b>OTHER ITEMS</b>				
Interest income	3,114	822	10,552	901
Recovery of expenses	-	-	105,000	-
Gain (loss) on sale of mineral property	1,358,210	-	3,263,360	-
Realized gain (loss) on sale of marketable securities (Note 4)	2,085,902	(27,706)	2,043,150	(27,706)
Unrealized gain (loss) on marketable securities (Note 4)	2,237,325	(104,856)	5,301,261	(60,606)
Share of loss from equity – accounted investment)	-	(16,916)	-	(16,916)
	5,684,551	(148,656)	10,723,323	(104,327)
<b>NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)</b>	5,599,597	(293,478)	10,658,765	(312,294)
<b>NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) ATTRIBUTED TO</b>				
Shareholders of the company	5,599,796	(293,478)	10,658,964	(312,294)
Non controlling interest	(199)	-	(199)	-
	5,599,597	(293,478)	10,658,765	(312,294)
<b>PROFIT (LOSS) PER COMMON SHARE (basic and diluted)</b>	0.13	(0.01)	0.27	(0.01)
<b>WEIGHTED AVERAGE NUMBER OF COMMON SHARES OUTSTANDING</b>	43,652,633	31,592,865	38,799,990	24,498,245

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

**CREST RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED NOVEMBER 30, 2020 AND 2019**

(Expressed in Canadian dollars)  
(Unaudited)

	Common Shares		Reserves	Deficit	Non-controlling Interests	Total Equity
	Number of Shares	Amount				
		\$	\$	\$	\$	\$
Balance, May 31, 2019	12,809,001	406,459	93,313	(258,478)	-	241,294
Shares issued for cash	18,768,333	1,242,625	-	-	-	1,242,625
Shares issued to acquire properties	1,500,000	172,500	-	-	-	172,500
Share issuance costs	-	(10,541)	-	-	-	(10,541)
Share-based payments	-	-	1,961	-	-	1,961
Net loss for the period	-	-	-	(312,294)	-	(312,294)
<b>Balance, November 30, 2019</b>	<b>33,077,334</b>	<b>1,811,043</b>	<b>95,274</b>	<b>(570,772)</b>	<b>-</b>	<b>1,335,545</b>
Balance, November 30, 2019	33,077,334	1,811,043	95,274	(570,772)	-	1,335,545
Shares issued to acquire properties	2,100,000	144,000	-	-	-	144,000
Subsidiary shares issued to acquire properties	-	-	162,082	-	120,418	282,500
Subsidiary shares issued for cash	-	-	90	-	10	100
Share-based payments	-	-	1,961	-	-	1,961
Acquisition of non-controlling interests	-	-	(25,000)	-	25,100	100
Net income (loss) for the period	-	-	-	12,042	(33,760)	(21,718)
<b>Balance, May 31, 2020</b>	<b>35,177,334</b>	<b>1,955,043</b>	<b>234,407</b>	<b>(558,730)</b>	<b>111,768</b>	<b>1,742,488</b>
Balance, May 31, 2020	35,177,334	1,955,043	234,407	(558,730)	111,768	1,742,488
Shares issued for cash	6,895,000	634,500	-	-	-	634,500
Shares issued to acquire properties	1,000,000	100,000	-	-	60,000	160,000
Warrant exercises	414,520	44,956	-	-	-	44,956
Option exercises	200,980	77,219	-	-	-	77,219
Share-based payments	-	-	98,819	-	-	98,819
Subsidiary shares issued to acquire properties	-	-	(162,082)	-	(120,418)	(282,500)
Subsidiary shares issued for cash	-	-	(90)	-	(10)	(100)
Acquisition of non-controlling interests	-	-	-	-	(100)	(100)
Net income (loss) for the period	-	-	-	10,658,595	220	10,658,815
<b>Balance, November 30, 2020</b>	<b>43,687,834</b>	<b>2,811,718</b>	<b>171,054</b>	<b>10,099,865</b>	<b>51,460</b>	<b>13,134,097</b>

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

**CREST RESOURCES INC.**  
**CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS**  
(Expressed in Canadian dollars)  
(Unaudited)

	<b>Six months ended</b>	
	<b>November 30,</b>	
	<b>2020</b>	<b>2019</b>
<b>OPERATING ACTIVITIES</b>		
Net income (loss) for the period	\$ 10,658,765	\$ (312,294)
Item not involving cash:		
Share-based payments	98,819	1,961
Gain on sale of mineral properties	(3,263,360)	-
Realized gain on sale of marketable securities	(2,043,150)	27,706
Unrealized gain on marketable securities	(5,301,261)	60,606
Shares of loss from equity-accounted investment	-	16,916
Reversal of deficits in subsidiary	52	-
Changes in non-cash working capital balances:		
Accounts receivable	(291,818)	(53,419)
Prepaid expenses and advance	126,009	(25,157)
GST recovery	9,141	-
Deferred revenue	12,500	-
Accounts payable and accrued liabilities	217,068	63,019
Notes payable	-	1,967
Restricted cash	(25)	-
<b>Cash provided by (used in) operating activities</b>	<b>222,740</b>	<b>(218,695)</b>
<b>INVESTING ACTIVITIES</b>		
Purchase of term deposit	-	(25,000)
Notes receivable	(467,754)	(48,760)
Exploration and evaluation assets	16,866	(37,558)
Investment in marketable securities	504,704	(1,159,357)
Investment in associates	(609,214)	-
<b>Cash used in investing activities</b>	<b>(555,398)</b>	<b>(1,270,675)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	418,975	1,242,625
Share issuance costs	-	(10,541)
Demand loans received	300,000	100,361
Demand loans repaid	(224,285)	-
<b>Cash provided by financing activities</b>	<b>494,690</b>	<b>1,332,445</b>
<b>INCREASE (DECREASE) IN CASH</b>	<b>162,033</b>	<b>(156,925)</b>
<b>CASH, BEGINNING OF PERIOD</b>	<b>26,551</b>	<b>162,686</b>
<b>CASH, END OF PERIOD</b>	<b>\$ 188,584</b>	<b>\$ 5,761</b>

**SUPPLEMENT CASH FLOW INFORMATION (Note 17)**

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

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**CREST RESOURCES INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED NOVEMBER 30, 2020 AND 2019**  
(Expressed in Canadian dollars) (Unaudited)

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**1. NATURE OF OPERATIONS AND GOING CONCERN**

Crest Resources Inc. (the “Company”) was incorporated on November 23, 2017 under the laws of British Columbia. The address of the Company’s corporate office and its principal place of business is Suite 1100 – 595 Howe Street, Vancouver, British Columbia, Canada.

The Company’s principal business activities include the acquisition and exploration of mineral property assets in Canada, Australia and Peru and the investment in mineral exploration and mining technology companies. As at November 30, 2020, the Company had not yet determined whether the Company’s mineral property assets contain 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 and the uncertainties cast significant doubt upon the Company’s ability to continue as a going concern.

The Company has incurred net income of \$10,298,496 for the six months ended November 30, 2020, and, as of November 30, 2020, the Company had retained earnings of \$9,739,598. 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. The March 2020 pandemic outbreak of COVID-19 could have a negative impact on the Company’s ability to raise new capital. These factors indicate a material uncertainty that may cast significant doubt on the ability of the Company to continue as a going concern.

These condensed consolidated interim 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 condensed consolidated interim financial statements.

**2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES**

These condensed consolidated interim financial statements for the six month period ended November 30, 2020 have been prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the Company’s 2020 annual financial statements which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

The condensed consolidated interim financial statements have been prepared using accounting policies consistent with those used in the Company’s 2020 annual financial statements except for new standards, interpretations and amendments mandatorily effective for the first time from January 1, 2020. Note 2d) sets out the impact of new standards, interpretations and amendments that have had a material effect on the financial statements.

The condensed interim financial statements were authorized for issue by the Board of Directors on January 27, 2021.

The preparation of condensed consolidated interim financial statements in compliance with IAS 34 requires management to make certain critical accounting estimates. It also requires management to exercise judgment in applying the Company’s accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in Note 3.

**CREST RESOURCES INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED NOVEMBER 30, 2020 AND 2019**  
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**2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

a) Basis of consolidation

The condensed consolidated interim financial statements include the financial statements of the Company and its subsidiaries, which are controlled by the Company. Control is achieved when the parent company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if, and only if, the Company has all of the following:

- (i) power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- (ii) exposure, or rights, to variable returns from its involvement with the investee; and
- (iii) the ability to use its power over the investee to affect its returns.

The financial statements of the subsidiaries are included in the condensed consolidated interim financial statements from the date that control commences until the date that control ceases. All significant inter-company transactions, balances, income and expenses are eliminated on consolidation. The following is a list of the Company's operating subsidiaries:

Name of Entity	Jurisdiction of incorporation	Ownership interest as at November 30, 2020
Crest GP Canada Inc.	British Columbia, Canada	100%
Crest Project Development Corp.	British Columbia, Canada	100%
Crest SPV Limited Partnership	British Columbia, Canada	100%
Exploits Discovery Corp.	British Columbia, Canada	25.9%
1251797 B.C. Ltd	British Columbia, Canada	66.7%
AusVan Battery Metals Pty Ltd	Australia	60%
Carbon Foundry Corp.	British Columbia, Canada	50%
Volatus Capital Corp	British Columbia, Canada	26.81%
Core Asset Management Corp.	Cayman Islands	40%
Chala Cobre y Oro S.R.L.	Peru	73.8%

b) Investments in associate

Associates are entities over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but without control or joint control over those policies. The Company accounts for associates using the equity method of accounting. Interests in associates are initially recognized at cost. Subsequent to initial recognition, the carrying value of the Company's interest in an associate is adjusted for the Company's share of comprehensive income and distributions of the investee. The carrying value of associates is assessed for impairment at each statement of financial position date.

c) Foreign currency

Transactions and balances in currencies other than the Canadian dollar, the functional currency of the Company, 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 condensed consolidated interim statement of financial position date are recognized in the condensed consolidated interim statement of comprehensive loss.



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**CREST RESOURCES INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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(Expressed in Canadian dollars) (Unaudited)

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**2. BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES (continued)**

d) New Accounting Standards, Interpretations and Amendments to Existing Standards

A number of new standards and amendments to existing standards have been issued by the IASB that are mandatory for accounting periods beginning on or after June 1, 2020, or later periods. The Company has not early adopted these new standards in preparing these condensed consolidated interim financial statements. These new standards are either not applicable or are not expected to have a significant impact on the Company's condensed consolidated interim financial statements.

**3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS**

There have been no material revisions to the nature of judgments and amount of changes in estimates of amounts reported in the Company's 2020 annual financial statements.

**4. MARKETABLE SECURITIES**

The Company holds common shares and warrants in various public companies. The common shares are classified as FVTPL and are recorded at fair value using the quoted market price as at November 30, 2020 and are therefore classified as Level 1 within the fair value hierarchy.

The warrants are classified as FVTPL and are recorded at fair value using a Black-Scholes option pricing model using observable inputs and are therefore classified as Level 2 within the fair value hierarchy.

**CREST RESOURCES INC.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED NOVEMBER 30, 2020 AND 2019**  
(Unaudited) (Expressed in Canadian dollars)

**4. MARKETABLE SECURITIES (continued)**

Continuity for the periods ended November 30, 2019:

	Balance, May 31, 2019	Additions	Disposals	Realized gain (loss) on disposals	Cost Balance, November 30, 2019	Unrealized gain (loss) on changes in fair value	FMV Balance, November 30, 2019
	\$	\$	\$	\$	\$	\$	\$
<b>Common shares – Level 1</b>							
Scottie Resources Corp	-	797,250	(135,896)	(29,104)	632,250	(37,750)	594,500
Prime Mining Corp	-	60,455	(8,580)	(1,496)	50,379	(10,379)	40,000
International Prospect Ventures Ltd	-	138,726	(8,823)	2,894	132,797	(2,477)	130,320
Troubadour Resources Inc	-	100,000	-	-	100,000	(10,000)	90,000
<b>Total</b>	-	1,096,431	(153,299)	(27,706)	915,426	(60,606)	854,820

Continuity for the periods ended November 30, 2020:

	Balance, May 31, 2020	Additions	Disposals	Realized gain (loss) on disposals	Cost Balance, November 30, 2020	Unrealized gain (loss) on changes in fair value	FMV Balance, November 30, 2020
	\$	\$	\$	\$	\$	\$	\$
<b>Common shares – Level 1</b>							
International Prospect Ventures	168,000	-	(237,550)	77,550	8,000	(8,000)	-
Troubadour Resources Inc	80,000	-	(69,285)	(10,715)	-	-	-
International Samuel Exploration Corp	52,157	-	(41,525)	(10,632)	-	-	-
Cleghorn Minerals Ltd. (a) (b)	175,000	-	(24,735)	8,068	158,333	(45,833)	112,500
Essex Minerals Inc	250,000	326,067	(285,303)	45,748	336,512	455,148	791,660
Freeform Cap Partners Inc	-	1,000	(757)	257	500	1,800	2,300
Opawica Explorations Inc	-	93,125	-	-	93,125	119,500	212,625
Ecomine Technology Inc	-	238,550	-	-	238,550	-	238,550
Exploits Discovery Corp	-	3,535,819	-	-	3,535,819	4,625,681	8,161,500
Rain City Resources Inc	-	66,084	-	-	66,084	179,916	246,000
Origen Resources Inc	-	840,000	-	-	840,000	(252,000)	588,000
Core Asset Management Corp	-	40	-	-	40	-	40
Spey Resources Corp	-	75,925	(84,398)	8,473	-	-	-
	725,157	5,176,610	(743,553)	118,749	5,276,963	5,076,212	10,353,175
<b>Warrants – Level 2</b>							
Cleghorn Minerals Ltd. (a) (b)	58,206	-	-	-	58,206	60,566	118,772
Volatus Capital Corp. (c)	50,968	-	-	-	50,968	164,483	215,451
	109,174	-	-	-	109,174	225,049	334,223
<b>Total</b>	834,331	5,176,610	(743,553)	118,749	5,386,137	5,301,261	10,687,398

**CREST RESOURCES INC.**  
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**FOR THE THREE MONTHS ENDED NOVEMBER 30, 2020 AND 2019**  
(Expressed in Canadian dollars) (Unaudited)

**4. MARKETABLE SECURITIES (continued)**

Fair market value for the periods ended November 30, 2020 and 2019 is as follows:

	Fair Market Value November 30, 2020	Fair Market Value May 31, 2020	Fair Market Value November 30, 2019
<b>Common shares – Level 1</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Scottie Resources Corp.	-	-	594,500
Prime Mining Corp	-	-	40,000
International Prospect Ventures Ltd	-	168,000	130,320
Troubadour Resources Inc	-	80,000	90,000
International Samuel Exploration Corp	-	52,157	-
Cleghorn Minerals Ltd. (a) (b)	112,500	175,000	-
Essex Minerals Inc	791,660	250,000	-
Freeform Cap Partners Inc	2,300	-	-
Opawica Explorations Inc	212,625	-	-
Ecomine Technology Inc	238,550	-	-
Exploits Discovery Corp	8,161,500	-	-
Rain City Resources Inc	246,000	-	-
Origen Resources Inc	588,000	-	-
Core Asset Management Corp	40	-	-
	10,353,175	725,157	854,820
<b>Warrants – Level 2</b>			
Cleghorn Minerals Ltd. (a) (b)	118,772	58,206	-
Volatus Capital Corp. (c)	215,451	50,968	-
	334,223	109,174	-
<b>Total</b>	<b>10,687,398</b>	<b>834,331</b>	<b>854,820</b>

(a) The Company purchased 1,000,000 units of Cleghorn Minerals Ltd. (“Cleghorn”) at a price of \$0.05 per unit for an aggregate price of \$50,000. Each unit consists of one common share of Cleghorn and one non-transferable share purchase warrant exercisable at \$0.10 per share for a period of 36 months. The fair value of the warrants was determined using the Black – Scholes option pricing model based on the following assumptions:

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(Expressed in Canadian dollars) (Unaudited)

**4. MARKETABLE SECURITIES (continued)**

	Initial Measurement	November 30, 2020
Share price	\$0.06	\$0.09
Risk free interest rate	1.25%	0.24%
Expected life	3 years	2.25 years
Expected volatility	110.43%	105.46%
Expected dividend	Nil	Nil

- (b) On March 7, 2020, the Company entered into a mineral claim purchase agreement with Cleghorn to sell a 100% undivided interest in the Cleghorn Property (Note 9) in consideration of 1,500,000 units. Each unit comprises one common share and one-half of common share purchase warrant of Cleghorn. Each common share purchase warrant entitles the holder to acquire one common share of Cleghorn at a price of \$0.10 per common share for a period of 24 months. The fair value of the common shares was evaluated at \$60,000. The fair value of the warrants was evaluated at \$7,524 using the Black – Scholes option pricing model based on the following assumptions:

Share price	\$0.04
Risk free interest rate	0.44%
Expected life	2 years
Expected volatility	90.16%
Expected dividend	Nil

This transaction was completed on April 8, 2020 and a gain on sale of mineral properties of \$60,384 was recorded.

As at November 30, 2020, the fair value of the warrants was evaluated at \$14,092 using the Black – Scholes option pricing model based on the following assumptions:

Share price	\$0.09
Risk free interest rate	0.24%
Expected life	1.25 years
Expected volatility	105.46%
Expected dividend	Nil

- (c) Pursuant to an agreement dated January 31, 2020, the Company sold its 100% interest in Split Dome copper property (Note 9) to Volatus Capital Corp. (“Volatus”) for consideration of 3,000,000 common shares of Volatus and 1,500,000 common share purchase warrants exercisable at a price of \$0.10 per share for a period of 36 months. The fair value of the common shares was evaluated at \$270,000. The fair value of the warrants was evaluated at \$93,443 using the Black – Scholes option pricing model based on the following assumptions:

Share price	\$0.09
Risk free interest rate	1.44%
Expected life	3 years
Expected volatility	120%
Expected dividend	Nil

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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED NOVEMBER 30, 2020 AND 2019**  
(Expressed in Canadian dollars) (Unaudited)

**4. MARKETABLE SECURITIES (continued)**

This transaction was completed on February 5, 2020 and a gain on sale of mineral properties of \$145,343 was recorded. As at November 30, 2020, the fair value of the warrants was evaluated at \$65,831 using the Black – Scholes option pricing model based on the following assumptions:

Share price	\$0.09
Risk free interest rate	0.24%
Expected life	2.17 years
Expected volatility	120%
Expected dividend	Nil

**5. PREPAID EXPENSES AND ADVANCE**

	November 30, 2020	November 30, 2019	May 31, 2020
	\$	\$	\$
Investment subscription (a)	-	-	126,800
Others	4,000	37,140	3,209
	4,000	37,140	130,009

(a) On October 29, 2019, the Company entered into an investment agreement with EcoMine Technologies Corporation ("EcoMine") to acquire or help place an aggregate 4,000,000 common shares at a price of \$0.25 per share for a total investment of \$1,000,000. The shares will be acquired or placed by way of private placement in four tranches. As at May 31, 2020, the Company advanced \$126,800 to EcoMine for common shares subscriptions.

During the period ended August 31, 2020, the Company completed the acquisition of 1,000,000 common shares and helped place an additional 1,000,000 common shares.

**6. NOTES RECEIVABLE**

	Core Asset Management Corp.	Westminster Resources Ltd.	Orogenic Resources Inc.	Opawica Exploration s Inc.	Total
	\$	\$	\$	\$	\$
Balance, November 30, 2019	-	-	-	-	-
Addition	33,915	109,000	350,000	38,060	530,975
Accrued interest	-	7,926	5,236	1,583	14,745
Repayment	-	-	-	(59,560)	(59,560)
Impairment	-	(76,633)	-	-	(76,633)
Balance, November 30, 2020	33,915	40,293	355,236	(19,917)	409,527

Pursuant to a loan agreement dated September 12, 2019, and as amended on November 28, 2019 and March 20, 2020, between the Company as lender and Westminster Resources Ltd. ("WMR") as borrower, the Company agreed to lend up to \$75,000 (the "Loan") to WMR on terms that the Loan plus accrued interest at 10.0% per annum shall be payable on demand and shall be secured by WMR's interest in its Peruvian subsidiary as collateral. During the year ended May 31, 2020, the Company determined that WMR does not have assets or sources of income that could generate sufficient cash flows to repay the Loan. As a result, the \$75,000 note receivable and interest \$1,633 from WMR was impaired.

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**6. NOTES RECEIVABLE (continued)**

Pursuant to a loan agreement dated October 1, 2019, and as amended on January 14, 2020, between the Company as lender and Opawica Explorations Inc. ("OPW") as borrower, the Company agreed to lend up to \$30,000 (the "Loan") to OPW on terms that the Loan plus accrued interest at 10.0% per annum shall be payable on demand.

On September 8, 2020, the Company completed the sale of 3,000,000 common shares of its investment in Exploits Gold Corp. to Origen Resources Inc. ("Origen") for 4,200,000 common shares of Origen. The Company also completed the sale of 1,000,000 common shares of Exploits to a private company of which the CEO of the Company is a director for consideration of a note payable of \$350,000 due on demand and accrues interest at a rate of 6% per annum. The shares are pledged as collateral for the promissory note.

**7. ASSIGNMENT OF DEBT**

On September 16, 2019, pursuant to a Debt Assignment Agreement with WMR, the Company assumed \$473,748 in liabilities payable to certain creditors and in consideration for the assumption the Company issued a note receivable of the same amount. One of the creditors is a director of the Company who is owed \$123,000 and he is also a director of another creditor who is owed \$196,748. The Company issued promissory notes to evidence the assignment of liabilities, payable at face value in cash or in kind on or before three years, accrue interest at a rate of 2.0% per annum and a good faith payment of \$150 which is payable to each creditor on or around December 25 of each year the liability is outstanding.

During the period, by a letter agreement dated August 11, 2020 (the "Termination Letter"), the parties agreed to terminate the Debt Assignment Agreement. Pursuant to the Termination Letter, the Company is released from all obligations in respect of the promissory notes and the creditors will look to WMR for repayment of the promissory notes. The Company has agreed to pay the annual interest of 2% on the promissory notes for 11 months. As a result of the Termination Letter, the Company offset the liabilities payable against the note receivable.

As at November 30, 2020, the accrued interest owing on the assignment of debt was \$8,685 (2019 - \$Nil), which was included in accounts payable and accrued liabilities in the condensed consolidated interim statements of financial position.

**8. INVESTMENT IN ASSOCIATE**

Volatus Capital Corp.

On September 25, 2019, the Company acquired 2,000,000 common shares of Volatus from a single arm's length vendor at a price of \$0.04 per share for total consideration of \$80,000. On October 7, 2019, the Company acquired another 1,600,000 common shares of Volatus from two arm's length vendors at a price of \$0.075 per share for total consideration of \$120,000. Immediately following the acquisition of the common shares, the Company owned a total of 3,600,000 common shares or approximately 25.9% of the issued and outstanding shares of Volatus.

On January 30, 2020 the Company obtained regulatory approval for the purchase of 900,000 common shares of Volatus held in escrow at a price of \$0.01 per common share for total consideration of \$9,000.

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**8. INVESTMENT IN ASSOCIATE (continued)**

On February 5, 2020, the Company sold its 100% interest in Split Dome copper property (Note 9) to Volatus for consideration of 3,000,000 common shares of Volatus and 1,500,000 common share purchase warrants as described in Note 4 (c). On February 5, 2020, the Company acquired a further 500,000 common shares of Volatus through open market transactions at a price of \$0.08 per share for a total cost of \$40,420. Immediately following the acquisition of the shares, the Company owned and controlled a total of 8,000,000 common shares or approximately 47.3% of the issued and outstanding shares of Volatus.

Effective April 22, 2020, Volatus consolidated its common shares on a three old for one new basis.

On May 20, 2020, the Company participated in a non-brokered private placement indirectly through its wholly-owned subsidiary, Crest Project Development Corp., and purchased 2,000,000 common shares of Volatus at a price of \$0.075 per share for total cost of \$150,000. As at November 30, 2020, the Company beneficially owns and controls, directly and indirectly, 20.84% of the issued and outstanding voting securities of Volatus.

On June 3, 2020, the Company purchased 500,000 common shares of Volatus at a price of \$0.15 per share for total cost of \$75,000, indirectly through its subsidiary Exploits Gold Corp.

On June 5, 2020, the Company entered into a loan agreement to borrow \$150,000 from Volatus for the purpose of staking mineral claims in the province of Newfoundland and Labrador and other corporate purposes. The loan bears interest at 2% per month, is payable on demand after four months and is secured by the mineral claims to be staked. On August 18, 2020, the Company entered into another loan agreement with Volatus to borrow \$50,000 from Volatus for the purpose of staking mineral claims in Newfoundland and Quebec. The loan bears interest at 2% per month, is payable on demand after January 18, 2021 and as further consideration for extending the loan, Volatus will receive a 5% ownership interest in the property to be staked.

Volatus is a mineral resource company focused on the exploration and development of mineral property assets. Management has determined that the Company has significant influence over Volatus and accordingly is using the equity method to account for this investment.

The following table summarizes the change in investment in associate for the period ended November 30, 2020:

	\$
Balance, November 30, 2019	-
Consideration paid	974,204
Sale of Split Dome copper property	270,000
Equity loss on investment	(129,682)
<b>Balance, November 30, 2020</b>	<b>1,114,522</b>

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**9. EXPLORATION AND EVALUATION ASSETS**

	Newfoundland and Labrador, Canada								
	Chapel Island	True Grit / Middle Ridge	Gazeebow North	Dog Bay	Enterprise	Jonathan's Pond	Mt. Peyton	Mt. Peyton Extension	Howell River
	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Acquisition costs</b>									
Balance, November 30, 2019	-	-	-	-	-	-	-	-	-
Acquisition	-	-	-	-	-	120,103	180,103	38,675	-
Sale of property	-	-	-	-	-	-	-	-	-
Balance, May 31, 2020	-	-	-	-	-	120,103	180,103	38,675	-
Acquisition	22,490	60,150	35,905	52,225	19,890	30,000	231,602	6,000	52,000
Sale of property	-	(60,150)	-	(52,225)	(19,890)	(150,103)	(411,705)	(44,675)	-
Balance, November 30, 2020	22,490	-	35,905	-	-	-	-	-	52,000
<b>Exploration expenditures</b>									
Balance, November 30, 2019	-	-	-	-	-	-	-	-	-
Additions	-	-	-	-	-	4,045	4,045	-	-
Balance, May 31, 2020	-	-	-	-	-	4,045	4,045	-	-
Sale of property	-	-	-	-	-	(4,045)	(4,045)	-	-
Balance, November 30, 2020	-	-	-	-	-	-	-	-	-
<b>Total acquisition costs and exploration expenditures</b>									
November 30, 2019	-	-	-	-	-	-	-	-	-
November 30, 2020	22,490	-	35,905	-	-	-	-	-	52,000



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**9. EXPLORATION AND EVALUATION ASSETS (continued)**

	British Columbia, Canada				Ontario, Canada	Chala. Peru	Australia	Total
	Atlan- Ruffner	Red Metal Ridge	Lion's Den	Split Dome Copper	Lunar Frog	Chala Copper	Arizona Project	
	\$	\$	\$	\$	\$	\$	\$	\$
<b>Acquisition costs</b>								
Balance, November 30, 2019	-	15,000	-	-	-	-	-	15,000
Acquisition	-	29,500	47,311	218,100	-	7,140	518,488	1,251,378
Sale of property	-	-	-	(218,100)	-	(7,140)	-	(225,240)
Balance, May 31, 2020	-	44,500	47,311	-	-	91,958	518,488	1,041,138
Acquisition	60,000	10,000	-	-	100,000	-	-	732,228
Sale of property	-	-	(47,311)	-	(100,000)	-	-	(886,059)
Balance, November 30, 2020	60,000	54,500	-	-	-	143,924	518,488	887,307
<b>Exploration expenditures</b>								
Balance, November 30, 2019	-	96,269	-	-	-	-	-	96,269
Additions	-	4,000	-	-	-	38,199	-	50,289
Balance, May 31, 2020	-	100,269	-	-	-	38,199	-	146,558
Addition	-	-	-	-	-	-	305,057	305,057
Sale of property	-	-	-	-	-	-	-	(8,090)
Balance, November 30, 2020	-	100,269	-	-	-	38,199	305,057	443,525
<b>Total acquisition costs and exploration expenditures</b>								
November 30, 2019	-	15,000	-	-	-	-	-	15,000
November 30, 2020	60,000	154,769	-	-	-	182,123	823,545	1,330,832

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**9. EXPLORATION AND EVALUATION ASSETS (continued)**

**a) Red Metal Ridge Property (Sayward, British Columbia)**

Pursuant to an option agreement (the "Agreement") dated January 5, 2018, and as amended on October 30, 2019 and November 28, 2019 for a total fee of \$10,000, the Company was granted an option to acquire a 100% undivided interest in two stages in the Red Metal Ridge property ("Red Metal") located near Sayward in British Columbia.

Under the Agreement and its subsequent amendments, the Company has the option to acquire an initial 51% undivided interest (earned) in Red Metal by paying \$5,000 (paid) in cash upon execution of the Agreement. The Company has the option to earn the remaining 49% interest in Red Metal by issuing a total of 800,000 common shares of the Company to the Optionors, making cash payments totaling \$140,000, and incurring a total of \$500,000 in exploration expenditures as follows:

	Number of Common Shares	Cash \$	Exploration Expenditures \$
Upon listing of the Company's common shares on a Canadian Stock Exchange (the "Listing")	100,000 <sup>1</sup>	5,000 <sup>2</sup>	-
On or before October 19, 2019	-	-	100,000 <sup>3</sup>
On or before February 29, 2020	300,000 <sup>4</sup>	-	-
On or before April 27, 2020	-	5,000 <sup>5</sup>	-
On or before October 19, 2020 <sup>6</sup>	100,000	30,000	100,000
On or before October 19, 2021	300,000	100,000	300,000
<b>Total</b>	<b>800,000</b>	<b>140,000</b>	<b>500,000</b>

1. Issued on October 22, 2018 with a fair value of \$10,000.
2. Paid.
3. Incurred.
4. Issued on February 28, 2020 with a fair value of \$19,500 (Note 11 (c)).
5. Paid during the period end.
6. At the end of the quarter the company was in default on the second option payments.

The Optionors will retain a 3% Net Smelter Returns royalty on Red Metal. The Company has the right to purchase the first 1% of the royalty for \$750,000 and the remaining 2% for \$1,000,000 at any time prior to the commencement of commercial production.

**b) Lunar Frog Gold Property (Toodoggone, British Columbia)**

Pursuant to an agreement dated July 13, 2020, the Company agreed to acquire a 100% interest, subject to a 1% net smelter returns royalty, in the Lunar Frog gold property (the "Property") for consideration of 1,000,000 common shares of the Company (issued on July 16, 2020 with a fair value of \$100,000). The Property consists of six mineral claims located approximately 170 kilometres east-southeast of Dease Lake, British Columbia.

On November 6, 2020 the company entered into an agreement to sell its 100% interest in Lunar Frog for 1,500,000 common shares of Volatus, The transaction was completed on November 12, 2020.

**9. EXPLORATION AND EVALUATION ASSETS (continued)**

**c) Lion's Den Property (Toodoggone, British Columbia)**

Pursuant to an agreement dated February 19, 2020, the Company agreed to acquire a 100% interest in 11 mineral claims known as the Lion's Den Property, located in the Toodoggone region of north-central British Columbia, for consideration of 300,000 common shares of the Company (issued on February 28, 2020 with a fair value of \$19,500) (Note 11 (c)). An additional \$27,811 in acquisition costs was incurred on claims registration at the period ended November 30, 2020.

On June 4, 2020 the company entered into an agreement to sell its 100% interest in the Lion's Den and Peak gold properties as well as its rights to acquire two additional mineral claims in the Toodoggone region of north-western British Columbia to Volatus for consideration of \$35,000 cash, 3,750,000 common shares of Volatus, and a 1.5% net smelter returns royalty of which Volatus may purchase 0.5% for \$1,000,000 at any time. The transaction was completed on June 5, 2020.

**d) Chala Copper Property (Chala, Peru)**

Pursuant to a staking syndicate agreement dated November 26, 2019, the Company acquired ownership of a 68.5% interest in four mineral claims known as the Chala Copper Project located east of Chala, Peru for consideration of funding an exploration program with a value of USD \$50,000. The claims were acquired through a staking syndicate that includes the Company's President, CEO and director, who held 18% interest in the claims. The Company has expended \$21,958 in staking costs on the claims.

Pursuant to an agreement dated March 12, 2020, the Company acquired an additional 5% interest in the Chala Copper Project from the CEO of the Company, for consideration of 1,000,000 common shares of the Company (issued on May 25, 2020 with a fair value of \$70,500) (Note 11 (c)). The Company's total interest in the property is 73.5%.

The company's interest was registered in the Peruvian corporation, Chala Cobre y Oro S.R.L., ("Chala"), on March 11, 2020.

Chala entered into an option agreement on the Sauco I and Sauco II claims in the Department of La Libertad Peru on September 20, 2020 with a payment of USD \$6,600.00. The option agreement envisions payments of USD \$450,000 over 3 years with a 2% royalty that can be bought for USD \$2,000,000. Close of the due diligence period is 4 months after the secession of travel restrictions on international and local travel in relation to the COVID 19 crisis.

Chala Entered into an agreement on Sausal Cooper claim in the Department of La Libertad Peru on September 20, 2020 with a payment of USD \$4,800.00. The option agreement envisions payments of USD \$1,000,000 over 3 years with a 2% royalty that can be bought for USD \$2,000,000. Close of the due diligence period is 4 months after the secession of travel restrictions on international and local travel in relation to the COVID 19 crisis.

Chala entered into a due diligence agreement on Surupampa III 2009 claim in the Department of La Libertad Peru on September 19, 2020 with a payment of USD \$4,799.98. The option agreement envisions payments of USD \$1,000,000 over 3 years with a 2%. Close of the due diligence period is 4 months after the secession of travel restrictions on international and local travel in relation to the COVID 19 crisis.

**9. EXPLORATION AND EVALUATION ASSETS (continued)****e) Jonathan's Pond Property (Newfoundland and Labrador)**

Pursuant to an agreement dated February 13, 2020, the Company's subsidiary, Exploits Gold Corp. ("Exploits"), agreed to acquire a 100% interest in three mineral licences known as the Jonathan's Pond Property (the "JP Property") for the following consideration: (i) \$15,000 cash (paid) and 2,000,000 common shares of Exploits (issued February 13, 2020 with a fair value of \$100,000) upon signing the agreement; and (ii) \$35,000 cash (paid) on or before June 13, 2020. One of the vendors of the JP Property is the Vice President of Business Development of the Company, who received 300,000 shares of Exploits as consideration. The JP Property is subject to a 3% net smelter returns royalty of which Exploits may repurchase 1.5% of the NSR for \$1,000,000 at any time.

**f) Mt. Peyton Property (Newfoundland and Labrador)**

Pursuant to an agreement dated February 13, 2020, the Company's subsidiary, Exploits, agreed to acquire a 100% interest in 15 mineral licences known as the Mt. Peyton Property (the "MP Property") for the following consideration: (i) \$25,000 cash (paid) and 3,000,000 common shares of Exploits (issued February 13, 2020 with a fair value of \$150,000) upon signing the agreement; and (ii) \$50,000 cash (paid) on or before May 13, 2020. One of the vendors of the JP Property is the Vice President of Business Development of the Company, who received 450,000 shares of Exploits as consideration and will retain a 0.45% NSR on the claims. The MP Property is subject to a 3% net smelter returns royalty of which Exploits may repurchase 1.5% of the NSR for \$1,500,000 at any time.

**g) Mt. Peyton Extension Property (Newfoundland and Labrador)**

Pursuant to an agreement dated May 11, 2020, the Company's subsidiary, Exploits, agreed to acquire a 100% interest in Mt. Peyton Extension Property (the "MPE Property") for the following consideration: (i) \$6,175 cash (paid) and 650,000 common shares of Exploits (issued May 11, 2020 with a fair value of \$32,500) upon signing the agreement; and (ii) \$6,000 cash (paid) on or before June 11, 2020. The MPE Property is subject to a 2% net smelter returns royalty of which Exploits may repurchase 1% of the NSR for \$1,000,000 at any time.

**h) True Grit and Middle Ridge (Newfoundland and Labrador)**

Pursuant to a staking agreement dated June 16, 2020, the Company engaged the Vice President of Business Development of the Company to stake mineral claims (the "Property") in Newfoundland and Labrador by which ownership is held 85% by the Company, 10% by the Vice President and 5% by Volatus as a fee for extending a loan to the Company to stake the claims.

Pursuant to a property purchase and sale agreement dated July 8, 2020, the Company sold its 85% interest in a portion of the Property known as "Middle Ridge South" to Mariner Resources Corp. ("Mariner") for consideration of \$204,000, 1,530,000 common shares of Mariner with a fair value of \$82,554 (Mariner is now Exploits Gold) and a 1.7% retained net smelter return royalty. This transaction was completed on July 22, 2020 and a gain on disposal of exploration and evaluation assets of \$204,000 was recorded.

Pursuant to a property purchase and sale agreement dated July 31, 2020, the Company sold its 85% interest in the remaining portion of the Property known as "Middle Ridge North and True Grit" to Mariner for consideration of 5,822,500 common shares of Mariner with a fair value of \$1,810,819. This transaction was completed on August 5, 2020 and a gain on disposal of exploration and evaluation assets of \$1,750,669 was recorded.

**9. EXPLORATION AND EVALUATION ASSETS (continued)**

**h) True Grit and Middle Ridge (Newfoundland and Labrador) (continued)**

Pursuant to a property purchase and sale agreement (the "Agreement") dated June 10, 2020, the Company agreed to acquire 100% interest in 18 additional claims from two vendors for consideration of \$20,000 and 150,000 common shares. The claims are subject to a 2% net smelter returns royalty with the right to purchase 1% of the NSR for \$1,000,000 at any time. The Agreement was assigned to Mariner on July 31, 2020.

**i) Howell's River (Newfoundland and Labrador)**

Pursuant to a staking agreement dated August 24, 2020, the Company engaged three consultants including the Vice President of Business Development of the Company to stake mineral claims in Newfoundland and Labrador by which ownership is held 80% by the Company, 5% by the Vice President, 10% by the other consultants and 5% by Volatus as a fee for extending a loan to the Company to stake the claims.

**j) Dog Bay (Newfoundland and Labrador)**

Pursuant to a staking agreement dated June 23, 2020, the Company engaged three consultants including the Vice President of Business Development of the Company to stake mineral claims in Newfoundland and Labrador by which ownership is held 70% by the Company, 12.5% by the Vice President and 17.5% by the other consultants.

On October 19, 2020, Crest Resources Inc. has completed the sale of a 40.323-per-cent interest in the Dog Bay gold property to four arm's-length parties for gross proceeds of \$112,000 and a 29.7% interest for 1.84 million common shares of Exploits Discovery Corp

**k) Gazeebow North (Newfoundland and Labrador)**

Pursuant to a staking agreement dated July 7, 2020, the Company engaged two consultants including the Vice President of Business Development of the Company to stake mineral claims in Newfoundland and Labrador by which ownership is held 90% by the Company, 5% by the Vice President and 5% by the other consultant.

**l) Enterprise (Newfoundland and Labrador)**

The Company has staked 308 mineral claims in Newfoundland and Labrador known as the Enterprise property.

The Enterprise Property was optioned to Opawica Resources Inc on October 26, 2020. Opawica may earn an initial 80-per-cent interest in the property by paying an aggregate of \$1.45-million cash and incurring \$5-million in work expenditures over a four-year period as follows: (i) \$250,000 cash due upon signing the agreement, (paid);

Second anniversary: \$450,000 cash payment and \$1-million in exploration expenditures.

Third anniversary: \$250,000 cash payment and \$2-million in exploration expenditures.

Fourth anniversary: \$500,000 cash payment and \$2-million in exploration expenditures.

Upon completing the above payments and expenditures, Opawica shall be deemed to have exercised the option and shall be entitled to an undivided 80-per-cent right, title and interest in and to the property, subject to the 2.5-per-cent NSR retained by Crest. Subsequent to the exercise date, Opawica may earn an additional 20-per-cent interest in the property by paying market price in cash or in kind based on an independent valuation of the property.

**9. EXPLORATION AND EVALUATION ASSETS (continued)**

**m) Cleghorn Property (Matachewan, Ontario)**

In January 2020, the Company acquired 142 mineral claims known as the Sprague Cleghorn Prospect and the Odie Cleghorn Prospect through staking for a total cost of \$7,140.

Pursuant to a mineral claim purchase agreement dated March 7, 2020, the Company sold its 100% undivided interest in 142 mineral claims to Cleghorn (Note 4)

**n) Arizona Project EPMs (Queensland, Australia)**

On March 9, 2020, the Company entered into an assignment agreement with Aeternum Holdings Ltd. ("Aholdings"), a related party by reason of a former common director. Aholdings was assigned a non-binding term sheet with Vecco Industrial Pty Ltd ("Vecco"), the owner of Arizona Queensland Vanadium Shale Project (the "Arizona Project") to acquire to Arizona Project. Pursuant to the assignment agreement, Aholdings assigned and transferred to the Company all of its rights, title and interest in the term sheet and the Arizona Project to the Company for consideration of \$450,000, which is included in accounts payable and accrued liabilities as at November 30, 2020. The Arizona Project is a resource stage Vanadium and High Purity Alumina ("HPA") deposit located in central Queensland, Australia.

On April 20, 2020, AusVan Battery Metals Pty Ltd ("AusVan"), the Company's Australian subsidiary, entered into a sales and purchase agreement with Vecco to acquire a 100% interest in the Arizona Project for the following consideration: (i) \$37,091 (AUD \$32,000) as reimbursement for EMP rents; (ii) \$50,000 cash within 45 days after the Completion Date (10 business days after the final condition precedent has been satisfied or waived, or such other date as agreed to in writing by the parties); (iii) \$100,000 cash by the earlier of the date AusVan is publicly listed on a Relevant Stock Exchange and October 20, 2020; (iv) \$350,000 within 10 business of completing certain milestones to be achieved within 18 months of the Completion Date; and (v) share consideration equal to 40% of AusVan's issued capital on a fully diluted basis. In addition, AusVan must meet a minimum project expenditure of: (i) \$75,000 within 8 months of the Completion Date (incurred \$31,397); (ii) \$500,000 during the period commencing on the Completion Date and ending on the day that is 12 months after the Completion Date; and (iii) another \$500,000 during the following 12 months.

**o) Atlin-Ruffner (British Columbia)**

The Atlin Ruffner mine, composed primarily of the Ruffner and Big Canyon claim groups, is located on Crater Creek which drains west into the Fourth of July Creek. The mine is about 23 kilometres northeast of Atlin. The occurrence has been an intermittent producer from 1916 to 1981, being operated by numerous companies.

The occurrence lies completely within the Middle Jurassic Fourth of July Creek batholith which covers about 780 square kilometres northeast of Atlin. It is composed of both monzonitic and quartz dioritic phases and in the area of the Atlin Ruffner mine is composed of feldspar porphyritic quartz syenite to granite. The batholith has intruded into Carboniferous-Jurassic Cache Creek Complex rocks.

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**9. EXPLORATION AND EVALUATION ASSETS (continued)**

**a) Atlan-Ruffner (British Columbia) (continued)**

The dikes usually host the mineralization, and clearly predate the mineralization, as in many cases brecciated dike rock fragments are found in the quartz-carbonate-sulphide assemblages that constitute the ore. Mineralization includes varying amounts of sphalerite, galena, arsenopyrite, pyrite, pyrrhotite, chalcopyrite, pyrargyrite (with trace amounts of tetrahedrite, molybdenite, scheelite, and cassiterite) in a quartz-calcite gangue. Across the mineralized veins/shears which typically are 1 to 2 metres in width, there is a crude segregation of sulphide mineralogy, from sphalerite-rich hangingwall, through a galena-rich core, to an arsenopyrite-rich footwall. High grade silver values are commonly associated with galena-rich zones, and gold values with arsenopyrite-rich zones. Four major vein/shear systems have been identified to date, with underground development and production having taken place on two of them.

Historic and unclassified reserves from the two zones from which underground development and production has taken place are 113,638 tonnes grading 600 grams per tonne silver and 5.0 per cent lead\* (BC Minfile: Assessment Report 18646).

The reserves noted here are historic in nature and the company has not done sufficient work to verify that an NI 43-101 resource exists on the property. This historic reserve should not be relied upon.

**10. LOANS PAYABLE**

Loans payable consist of following:

- a) On November 20, 2019, the Company entered into a loan agreement to borrow \$100,000 from Volatus. The principal amount of the loan plus accrued interest at 12% per annum is payable on demand after November 20, 2020. The Company has pledged its short-term investments in the value of \$112,000 as collateral against repayment of the loan and accrued interest. The principal and interest amount of \$108,525 were fully repaid in August 2020.

On June 5, 2020, the Company entered into a loan agreement to borrow \$150,000 from Volatus. The principal amount of the loan plus accrued interest at 2% per month is payable on demand after October 5, 2020. The loan was used to stake certain mineral claims in Newfoundland and is secured by the claims. The principal amount of \$141,475 was repaid in August 2020. As at November 30, 2020, the principal balance owing on the loan was \$8,525 (2019- \$Nil) and accrued interest payable was \$9,111.47 (2019 - \$Nil).

On June 23, 2020, the Company entered into a loan agreement to borrow \$100,000 from Volatus. The principal amount of the loan plus accrued interest at 2% per month is payable on demand after November 20, 2020. The loan was used to stake certain mineral claims in Newfoundland and as a fee for extending the loan, Volatus will receive a 5% interest in the True Grit and Middle Ridge claims. As at November 30, 2020, the principal balance owing on the loan was \$100,000 (2019- \$Nil) and accrued interest payable was \$10,933 (2019 - \$Nil).

On August 18, 2020, the Company entered into a loan agreement to borrow \$50,000 from Volatus. The principal amount of the loan plus accrued interest at 2% per month is payable on demand after February 18, 2021. The loan was used to stake certain mineral claims in Newfoundland and Quebec and as a fee for extending the loan, Volatus will receive a 5% interest in the Howells River claims. As at November 30, 2020, the principal balance owing on the loan was \$50,000 (2019- \$Nil) and accrued interest payable was \$3,467 (2019 - \$Nil).

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**11. CEBA LOAN**

On April 23, 2020, the Company received a loan from the Canadian government's Canada Emergency Business Account ("CEBA") Program in the amount of \$40,000. The CEBA is a government guaranteed loan of up to \$40,000 that is interest-free until December 31, 2022. The loan is available to help businesses with operating costs during COVID-19. Twenty-five percent of the loan amount (\$10,000) is eligible for forgiveness contingent on the business repaying \$30,000 on or before December 31, 2022. If the business cannot pay back the loan by December 31, 2022, it can be converted into a 3-year term loan at an interest rate of 5%. As at November 30, 2020, the principal balance owing on the loan was \$40,000 (2019- \$Nil).

**12. SHARE CAPITAL**

**a) Authorized**

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

**b) Escrow shares**

On July 30, 2018, the Company entered into an escrow agreement, whereby 2,500,000 common shares will be held in escrow and are scheduled for release in accordance with the terms of the escrow agreement. Pursuant to the escrow agreement, the shares will be released as follows: 10% on the Listing Date (October 22, 2018), and 15% will be released in 6, 12, 18, 24, 30 and 36 months thereafter.

As at November 30, 2020, there were 750,000 escrow shares outstanding.

**c) Issued and Outstanding as at November 30, 2020: 43,687,834 common shares.**

The Company had the following share capital transactions during the period ended November 30, 2020:

- (i) On July 16, 2020, the Company issued 1,000,000 common shares for consideration of the acquisition of a 100% interest, subject to a 1% net smelter returns royalty, in the Lunar Frog gold property located approximately 170 kilometres east-southeast of Dease Lake in the Toodoggone district of northern British Columbia. The shares issued are restricted from trading until November 17, 2020.
- (ii) On July 28, 2020, the Company completed a non-brokered private placement (the "Offering") to raise gross proceeds of \$689,500 through the sale of 6,895,000 common shares priced at \$0.10 per common share. The shares issued are restricted from trading until November 29, 2020.
- (iii) On August 4, 2020, the Company issued 375,000 common shares through the exercise of 375,000 share purchase warrants priced at \$0.075 per share for gross proceeds of \$28,125.
- (iv) On August 10, 2020, the Company issued 78,790 common shares through the exercise of 78,790 broker warrants priced at \$0.10 per share for gross proceeds of \$7,879.
- (v) On August 26, 2020, the Company issued 122,190 common shares through the exercise of 122,190 broker warrants priced at \$0.10 per share for gross proceeds of \$12,219.

The Company had the following share capital transactions during the year ended May 31, 2020:



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**12. SHARE CAPITAL (continued)**

- (vi) On July 25, 2019, the Company completed the first tranche of a non-brokered private placement and issued 10,400,000 units at a price of \$0.06 per unit (the "Units") for gross proceeds of \$660,000. On July 31, 2019, the Company completed the final tranche of the non-brokered private placement and issued 600,000 Units at a price of \$0.06 per Unit for gross proceeds of \$36,000. Each Unit consists of one common share and one common share purchase warrant exercisable into one further common share at a price of \$0.075 for a period of five years from the date of issuance. The securities issued were restricted from trading until November 26, 2019. There was no value allocated to the warrants under the residual method.
- (vii) On August 19, 2019, the Company completed the first tranche of a non-brokered private placement and issued 2,200,000 common shares at a price of \$0.075 per common share for gross proceeds of \$165,000. The securities issued were restricted from trading until December 20, 2019. On September 10, 2019, the Company completed the second tranche of the non-brokered private placement and issued 2,700,000 common shares at a price of \$0.075 per common share for gross proceeds of \$202,500. The securities issued were restricted from trading until January 11, 2020. On September 23, 2019, the Company completed the third tranche of the non-brokered private placement and issued 2,250,000 common shares at a price of \$0.075 per common share for gross proceeds of \$168,750. The securities issued were restricted from trading until January 24, 2020. On November 1, 2019, the Company completed the fourth tranche of the non-brokered private placement and issued 618,333 common shares at a price of \$0.075 per common share for gross proceeds of \$46,375. The securities issued were restricted from trading until March 2, 2020. A director of the Company purchased 1,250,000 shares.
- (viii) On September 12, 2019, the Company issued 1,500,000 common shares with a fair value of \$0.115 per common share for a total of \$172,500 as partial consideration to acquire 75% interest in Split Dome as disclosed in Note 9. The securities issued were restricted from trading until January 13, 2020. Two directors of the Company each received 500,000 shares.
- (ix) On January 2, 2020, the Company issued 500,000 common shares with a fair value of \$0.07 per common share for a total of \$35,000 as consideration to acquire an additional 25% interest in Split Dome as disclosed in Note 9. The securities issued were restricted from trading until May 3, 2020.
- (x) On February 28, 2020, the Company issued 300,000 common shares with a fair value of \$0.065 per common share for a total of \$19,500 as consideration to acquire 100% interest in the Lion's Den property disclosed in Note 9. The securities issued were restricted from trading until June 29, 2020.
- (xi) On February 28, 2020, the Company issued 300,000 common shares with a fair value of \$0.065 per common share for a total of \$19,500 pursuant to the Red Metal Ridge property option agreement disclosed in Note 9. The securities issued were restricted from trading until June 29, 2020.
- (xii) On October 21, 2020, the Company issued 39,520 common shares through the exercise of 39,520 share purchase warrants priced at \$0.10 per share for gross proceeds of \$3,952

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**12. SHARE CAPITAL (continued)**

**d) Stock Options**

The Company has a Stock Option Plan (the "Plan") for directors, officers, employees and consultants of the Company. Options are exercisable for periods of up to ten years, as determined by the Board of Directors of the Company, to purchase common shares of the Company at a price not less than the discounted market price on the date of the grant. The maximum number of shares which may be issuable under the Plan cannot exceed 10% of the total number of issued and outstanding common shares on a non-diluted basis.

A summary of the Company's stock options at November 30, 2020 and November 30, 2019 and the changes for the periods then ended is presented below:

	<b>November 30, 2020</b>		<b>November 30, 2019</b>	
	Options Outstanding	Weighted Average Exercise Price	Options Outstanding	Weighted Average Exercise Price
Opening balance	525,000	\$0.10	-	-
Granted	2,975,000	\$0.10	525,000	\$0.10
Cancelled	(225,000)	\$0.10	-	-
Ending balance	3,275,000	\$0.10	525,000	\$0.10

The Company had the following stock option transactions during the period ended November 30, 2020:

- I. On June 1, 2020, the Company granted 2,975,000 stock options to certain directors, officers, employees and consultants of the Company that are exercisable at a price of \$0.065 per common share until June 1, 2025.

The Company had the following stock option transactions during the year ended May 31, 2020:

- I. On June 1, 2019, 75,000 options exercisable at \$0.10 per share were cancelled; on July 4, 2019, 75,000 options exercisable at \$0.10 per share were cancelled; and on April 30, 2020, 75,000 options exercisable at \$0.10 per share were cancelled.
- II. On July 13, 2018, the Company granted 425,000 stock options to certain directors and officers of the Company at an exercise price of \$0.10 for a period of five years from the date of grant. 225,000 of these stock options were forfeited.
- III. On April 5, 2019, the Company granted 100,000 stock options to the Chief Financial Officer of the Company at an exercise price of \$0.12 for a period of four years from the date of grant. The stock options entitle the holder thereof the right to vest 25% on the grant date and 25% at the end of each subsequent three years thereafter.

The weighted average fair value at grant date of 2,975,000 options granted during the period ended November 30, 2020 was \$0.0332 per option. The fair value of the stock options was estimated using the Black-Scholes option pricing model with the following assumptions:

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**12. SHARE CAPITAL (continued)**

**d) Stock Options (continued)**

Share price	\$0.10
Risk free interest rate	0.39%
Expected life	4.83 years
Expected volatility	76%
Expected forfeiture rate	Nil
Expected dividends	Nil

The weighted average fair value at grant date of options granted during the year ended May 31, 2019 was \$0.086 per option. The fair value of the stock options was estimated using the Black-Scholes option pricing model with the following assumptions:

Share price	\$0.10
Risk free interest rate	1.96%
Expected life	4.81 years
Expected volatility	120%
Expected forfeiture rate	Nil
Expected dividends	Nil

Details of stock options outstanding and exercisable as at November 30, 2020 are as follows:

<b>Expiry Date</b>	<b>Exercise Price</b>	<b>Outstanding</b>	<b>Exercisable</b>
July 13, 2023	\$0.10	200,000	200,000
April 4, 2023	\$0.12	100,000	50,000
June 1, 2025	\$0.065	2,975,000	193,375
		<u>3,275,000</u>	<u>443,375</u>

The weighted average remaining contractual life of stock options outstanding at November 30, 2020 was 2.79 years (November 30, 2019: 3.15 years).

During the period ended November 30, 2020, the Company recognized \$98,819 (2019 - \$981) in share-based compensation expense related to these stock options.

**e) Warrants**

A summary of the Company's share purchase warrants at November 30, 2020 and November 30, 2019 and the changes for the periods then ended is presented below:

	<b>Warrants</b>	
	<b>Number</b>	<b>Weighted Average Exercise Price (\$)</b>
Outstanding, November 30, 2018	-	-
Issued, Agents' warrants	385,900	0.100
Outstanding, November 30, 2019	385,900	0.100
Issued	11,000,000	0.075
Exercised	(615,500)	0.088
Expired	(145,400)	0.100
Outstanding, November 30, 2020	<u>10,625,000</u>	<u>0.075</u>

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**12. SHARE CAPITAL (continued)**

**e) Warrants (Continued)**

As at November 30, 2020, the Company had outstanding and exercisable warrants as follows:

Expiry Date	Number of Shares	Weighted Average Exercise Price	Weighted Average Period
July 25, 2024	10,025,000	\$ 0.075	3.65 years
July 31, 2024	600,000	\$ 0.075	3.67 years
	10,625,000	\$ 0.075	2.36 years

**13. RELATED PARTY TRANSACTIONS AND BALANCE**

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.

Key Management Compensation

Key management personnel are persons responsible for planning, directing and controlling the activities of an entity, and include directors, the chief executive officer ("CEO") and chief financial officer ("CFO") of the Company. Key management personnel compensation is comprised of the following:

	Period ended November 30, 2020	Period ended November 30, 2019
	\$	\$
Salaries and benefits (i)	16,043	37,962
Management fees (ii)	177,222	92,500
Professional fee (ii)	17,500	-
Share-based payments (iii)	98,819	1,961
	309,584	132,423

The Company has entered into an Executive Management Agreement with the CEO of the Company effective May 15, 2020 for a five year term. As compensation for the services to be provided, the CEO will receive a monthly fee of \$8,500. During the period ended November 30, 2020, the Company incurred \$51,000 (2019 - \$Nil) in management fees to the CEO. As at November 30, 2020, accounts payable and accrued liabilities include amounts due to the CEO of \$15,900 (2019 - \$Nil), which are due on demand, unsecured and non-interest bearing.

The Company has entered into a Consulting Agreement with a company controlled by the CFO of the Company. As compensation for the services provided, the company controlled by the CFO will receive a monthly fee of \$2,500. During the period ended November 30, 2020, the Company incurred \$15,000 (2019 - \$Nil) in fees to the company controlled by the CFO. As at November 30, 2020, accounts payable and accrued liabilities include amounts due to the company controlled by the CFO of \$7,875 (2019 - \$Nil), which are due on demand, unsecured and non-interest bearing.

**13. RELATED PARTY TRANSACTIONS AND BALANCE (continued)**

The Company has entered into a Consulting Agreement with the CFO of the Company. As compensation for the services provided, the company controlled by the CFO will receive a monthly fee of \$1,000. During the period ended November 30, 2020, the Company incurred \$6,000 (2019 - \$Nil) in fees to the CFO. As at November 30, 2020, accounts payable and accrued liabilities include amounts due to the company controlled by the CFO of \$4,200 (2019 - \$Nil), which are due on demand, unsecured and non-interest bearing.

The Company has entered into an Officer and Consulting Agreement with the Vice President, Business Development ("VP") of the Company effective January 16, 2020 for a term to end on May 15, 2020 and subsequently extended to continue on a monthly basis. As compensation for the services to be provided, the VP will receive a monthly fee of \$8,000 plus applicable taxes, of which \$5,000 is payable in cash and \$3,000 is accrued and applied towards the purchase of equity securities of the Company. During the period ended November 30, 2020, the Company incurred \$48,000 (2019- \$Nil) in management fees to the VP. As at November 30, 2020, accounts payable and accrued liabilities include amounts due to the VP of \$27,295 (2019 - \$Nil), which are due on demand, unsecured and non-interest bearing.

The Company has entered into an Employment Agreement with the Corporate Secretary of the Company effective April 18, 2020 for no fixed term. As compensation for the services to be provided, the Corporate Secretary will receive a monthly fee of \$4,500 of which \$3,000 is to be paid in cash and \$1,500 is to be accrued and applied towards the purchase of equity securities of the Company. During the period ended November 30, 2020, the Company incurred \$27,000 (2019 - \$13,472) in salary and benefits to the Corporate Secretary. As at November 30, 2020, accounts payable and accrued liabilities include \$20 (2019 - \$Nil) in amounts owing to the Corporate Secretary.

On June 1, 2020, the Company granted 2,975,000 stock options to certain directors, officers, employees and consultants of the Company that are exercisable at a price of \$0.065 per common share until June 1, 2025.

The President, CEO and a Director of the Company was party to the Peruvian staking agreement as described in Note 9.

The Vice President, Business Development of the Company was party to certain Newfoundland and Labrador staking agreements as described in Note 9.

**14. 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 properties. 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.

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**15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK**Fair Values and Classification of Financial Instruments

The Company's financial instruments consist of cash, restricted cash, marketable securities, accounts receivable, notes receivable, accounts payable, loans payable and notes payable. Financial instruments are classified into one of the following categories: FVTPL, FVTOC, or amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	November 30, 2020	November 30, 2019
Cash	FVTPL	\$ 188,584	5,761
Restricted cash	FVTPL	5,025	-
Marketable securities	FVTPL	10,687,398	1,054,129
Accounts receivable	Amortized cost	337,816	58,092
Notes receivable	Amortized cost	442,132	48,760
Accounts payable	Amortized cost	925,697	100,354
Loans payable	Amortized cost	230,563	100,361

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).

Cash, restricted cash and investments in common shares are measured at fair value on a recurring basis using level 1 inputs. Investments in warrants are measured on a recurring basis using level 2 inputs. The continuity and valuation techniques that are used to determine the fair value of the investments in warrants are described in Note 4.

The fair value of the Company's accounts receivable, notes receivable, accounts payable and loans payable approximates their carrying value as at November 30, 2020 and November 30, 2019 because of the demand nature or short-term maturity.

Financial risk management objectives and policies

The risks associated with the Company's 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 in a timely and effective manner.

(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.

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**15. FINANCIAL INSTRUMENTS AND FINANCIAL RISK (continued)**

(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. As at November 30, 2020, the Company's maximum credit risk is the carrying value of cash and notes receivable.

(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. Factors that could impact on the company's liquidity are monitored regularly and include market changes, gold price changes, and economic downturns that affect the market price of the company's marketable securities for the purposes of raising financing. The current state of equity markets presents a challenge to raise financing and management believes that this condition will continue over the next twelve months.

Contractual undiscounted cash flow requirements of financial liabilities at November 30, 2020 are as follows:

	Less than 1 year \$	Between 1 – 5 years \$	More than 5 years \$	Total \$
Accounts payable and accrued liabilities	918,196	-	-	918,196
Loan payable	222,075	-	-	222,075
	1,140,271	-	-	1,140,271

(v) *Market risk*

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, investment fluctuations, and commodity and equity prices. The COVID-19 pandemic and its economic consequences are on extenuating impact on the current volatility of financial markets. Market conditions will cause fluctuations in the fair value of the company's marketable securities. The Company's ability to raise capital to fund exploration, development or investing activities is subject to risks associated with fluctuations in gold and metal prices. Management closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken by the company.

**16. COMMITMENTS**

The Company is committed to certain cash payments, share issuances, management agreements and exploration expenditures in connection with the acquisition of its mineral property claims as described in Note 9.

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**17. SUPPLEMENTAL CASH FLOW INFORMATION**

During the period ended November 30, 2020 and 2019, the Company incurred the following non-cash transactions that are not reflected in the statements of cash flows:

	November 30, 2020	November 30, 2019
Debt assignment cancelled	\$ 473,478	\$ -
Shares and subsidiary shares issued to acquire mineral properties	\$ 160,000	\$ -
Short term investments in Mariner through sale of mineral properties	\$ 1,810,819	\$ -

There were no amounts of cash paid for income taxes for the periods presented.

**18. SUBSEQUENT EVENTS**

- a) On December 8, 2020, the Company will acquire 433,333 shares of Ecomine Technologies Corp. ("Ecomine") from Collins in consideration of the issuance of 942,028 shares of the Company. The Company will acquire a further 900,000 Ecomine shares from AAA in consideration of the issuance of 1,956,522 shares of the Company to AAA. The Ecomine shares acquired by the Company represent 6.4% of the outstanding shares of Ecomine.
- b) On December 15, 2020, the Company has acquired a total of 10,566,667 common shares (36%) of the issued and outstanding share capital of OCP Holdings Ltd. (formerly Ore Capital Partners Ltd.) ("OCP"), a private investment holding company from each of 1247814 B.C. Ltd., Garry Stock, and Jason Cubitt Holdings Inc., for consideration of 18,647,123 common shares of the Company at a deemed price of \$0.115 per share (the "Crest Shares"). The Crest Shares are subject to a statutory four month hold period expiring April 15, 2021. Garry Stock, a director of the Company and also a director of OCP, received 705,885 Crest Shares.
- c) On December 15, 2020, 1247814 B.C. Ltd., a private British Columbia company controlled by Emma Fairhurst ("Fairhurst"), a consultant to the Company, received 16,000,055 Crest Shares in the transaction. Subsequent to the transaction, Fairhurst controls 16,750,055 common shares of the Company, representing 26.87% of the issued and outstanding common shares of the Company based on a total of 62,334,957 common shares outstanding following the transaction and 25,900,055 common shares or 36.23% assuming exercise of 150,000 stock options and 9,000,000 warrants controlled by Fairhurst. Fairhurst agrees to vote a maximum of a 19.9% interest until such time as Fairhurst is diluted below a 20% interest or there is a shareholder vote to allow a new insider control position which the Company will endeavour to hold at the next annual or special meeting.
- d) On December 15, 2020, the core assets of OCP are 14,750,001 common shares of Inflection Resources Ltd., a junior resource company focused on new discoveries in the Lachlan Fold Belt and Croydon goldfield in Australia. OCP recently on the Canadian Securities Exchange ("CSE") under the symbol "AUCU" and has a market capitalization of \$27 million (see [www.inflectionresources.com](http://www.inflectionresources.com)); and 12,038,443 common shares of Headwater Gold Inc., a private junior resource company with an large portfolio of 100% owned gold exploration projects in Nevada, Idaho and Oregon (see [www.headwatergold.com](http://www.headwatergold.com)) which last raised funds privately at \$0.25.



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**18. SUBSEQUENT EVENTS (Continued)**

- e) On December 21, 2020, further to its news release of December 8, 2020, the Company has acquired a total of 1,333,333 common shares (6.4%) of the issued and outstanding share capital of Ecomine Technologies Corp. ("Ecomine"), a private mining technology company, from each of Michael Collins and Aeternum Asset Advisors Inc. ("AAA"), for consideration of 2,898,550 common shares of the Company at a deemed price of \$0.115 per share (the "Crest Shares"). The Crest Shares are subject to a statutory four month hold period expiring April 19, 2021.
- f) On December 21, 2020, AAA exchanged 900,000 shares of Ecomine for 1,956,522 Crest Shares. AAA is controlled by Emma Fairhurst, a consultant to, and a major shareholder of, the Company ("Fairhurst"). Following this transaction Fairhurst holds, directly and indirectly, 18,706,577 common shares of the Company representing 28.67% after closing of this transaction based on 65,233,507 common shares of the Company outstanding; and 27,856,577 common shares or 37.45% assuming exercise of 150,000 stock options and 9,000,000 warrants controlled by Fairhurst.

The Company has also entered into an agreement to purchase 100% interest in four claims known as the Richard Copper project, subject to an existing 1% net smelter return royalty, located in Quebec from Urbangold Minerals Inc. (TSXV: UGM) ("Urbangold") in consideration for 50,000 common shares of Crest, which shares are subject to a statutory four month hold period from the date of issue.

- g) On December 21, 2020, The Company has dropped its option on the Red Metal Ridge property located on Vancouver Island British Columbia. The Company will retain its 51% interest in the property unless the optionor elects to exercise its right to repurchase such interest for \$5,000.
- h) On January 22, 2021, the Company has entered into a Share Purchase and Sale Agreement (the "Agreement") to acquire all of the issued and outstanding shares of EResource Technologies I, LLC ("EResource"), a Silicon Valley based company in consideration for 4,000,000 common shares of the Company at a deemed price of \$0.09 per share (the "Payment Shares"). EResource is a newly formed private company wholly-owned by Jonas Norr, a Director of the Company ("Norr"), that intends to seek out and acquire technologies of use in the resources industry. The Payment Shares will be held in escrow by the Company to be released to Norr as to 1,000,000 Payment Shares upon execution of the Agreement and an additional 750,000 Payment Shares every six months thereafter over a period of 24 months.