Crestview Exploration Inc.

Consolidated Financial Statements

For the years ended November 30 2021 and 2020

Independent Auditor's Report

To the Shareholders of Crestview Exploration Inc.:

Opinion

We have audited the consolidated financial statements of Crestview Exploration Inc. and its subsidiaries (the "Company"), which comprise the consolidated statements of financial position as at November 30, 2021 and November 30, 2020, and the consolidated statements of loss and comprehensive loss, changes in equity and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at November 30, 2021 and November 30, 2020, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards.

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 Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audits of the consolidated 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 2 in the consolidated financial statements, which indicates that the Company incurred a net loss and comprehensive loss during the year ended November 30, 2021 and, as of that date, the Company had negative operating cash outflows and an accumulated deficit. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate 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. The other information comprises Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits or otherwise appears to be materially misstated. We obtained Management's Discussion and Analysis prior to the date of this auditor's report. 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 Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 consolidated 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 consolidated 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 auditor's report to the related disclosures in the consolidated 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 auditor's 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

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 auditor's report is Anand Beejan.

MNP LLP

Ottawa, Ontario | Chartered Professional Accountants

March 29, 2022 | Licensed Public Accountants

Consolidated Statement of Financial Position

(in Canadian dollars)

	As at November 30, 2021	As at November 30, 2020
	$	$
Assets		
Current		
Cash and cash equivalents (Note 5)	**507,205**	5,601
Sales tax receivable	**34,275**	18,005
Other receivables	**12,009**	2,550
	553,489	26,156
Non-Current		
Reclamation bond (Note 6)	**18,708**	-
Exploration and evaluation assets (Note 0)	**1,307,051**	620,925
Total Assets	**1,879,248**	647,081
Liabilities		
Current		
Accounts payable and accrued liabilities	**68,942**	218,193
Shareholder loan (Note 13)	**-**	79,227
Total Liabilities	**68,942**	297,420
Equity		
Share Capital		
Common shares (Note 8)	**1,792,964**	1,628,851
Warrants	**2,303,324**	7,753
Contributed surplus	**1,226,449**	-
Deficit	**(3,512,431)**	(1,286,943)
Total Equity	**1,810,306**	349,661
Total Liabilities and Equity	**1,879,248**	647,081

Going Concern (Note 2)
Commitments (Note 17)

Approved on behalf of the Board

"Dimitrios Liakopoulos"

Director
Dimitrios Liakopoulos

"Christopher Wensley"

Director
Christopher Wensley

The accompanying notes are an integral part of these consolidated statements

Consolidated Statement of Loss and Comprehensive Loss

(in Canadian dollars)

	Year-ended Nov 30, 2021	*Year- ended Nov 30, 2020*
	$	*$*
Operating expenses		
Share-based compensation (Note 9)	**1,226,449**	-
Marketing and promotion (Note 8 and 13)	**454,395**	60,210
Professional fees (Note 13)	**327,807**	230,494
Director fees (Note 13)	**75,000**	42,500
Filing fees	**37,274**	43,400
Travel	**23,180**	14,626
Prospecting costs	**24,689**	-
Insurance	**19,846**	16,232
General expenses	**18,834**	3,044
Meals and entertainment	**9,034**	14,423
Interest and bank charges	**2,428**	3,697
IT expenses	**2,100**	2,008
Business taxes and licenses	**1,650**	-
Rental	**753**	1,233
Operating Loss	**2,223,439**	431,867
Other Income	**2,602**	-
Foreign exchange loss	**(11,657)**	(448)
Impairment of advances (Note 10)	**-**	(77,834)
	(9,055)	(78,282)
Net loss and comprehensive loss for the year	**2,232,494**	510,149
Basic and diluted loss per share (Note 11)	**(0.11)**	(0.04)

The accompanying notes are an integral part of these consolidated statements

Consolidated Statement of Changes in Equity

For the years ended November 30, 2021 and November 30,2020

(in Canadian dollars)

	No of Shares	Share capital $	Warrants $	Contributed surplus $	Deficit $	Total equity $
Balance at November 30, 2019	**12,091,376**	**1,139,352**	**255,607**	**25,549**	**(945,748)**	**474,760**
Net loss and comprehensive loss for the year -	-	**-**	**-**	**-**	**(510,149)**	**(510,149)**
Exercise of warrants (Note 8)	**1,125,556**	**448,399**	**(78,065)**	**-**	**-**	**370,334**
Expired warrants	**-**	**-**	**(169,789)**	**-**	**169,789**	**-**
Exercise of stock options (Note 9)	**100,000**	**54,600**	**-**	**(14,600)**	**-**	**40,000**
Expired stock options	**-**	**-**	**-**	**(10,949)**	**10,949**	**-**
Repurchase of share units	**(300,000)**	**(15,000)**	**-**	**-**	**(11,784)**	**(26,784)**
Share application money received	**-**	**1,500**	**-**	**-**	**-**	**1,500**
Balance at November 30, 2020	**13,016,932**	**1,628,851**	**7,753**	**-**	**(1,286,943)**	**349,661**
Net loss and comprehensive loss for the year-	**-**	**-**	**-**	**-**	**(2,232,494)**	**(2,232,494)**
Share-based compensation	**-**	**-**	**-**	**1,226,449**	**-**	**1,226,449**
Issuance of units net of issuance costs (Note 8)	**7,319,733**	**141,442**	**2,192,621**	**-**	**-**	**2,334,063**
Warrants issued for services (Note 8 (d))	**-**	**-**	**117,927**	**-**	**-**	**117,927**
Exercised warrants (Note 8)	**36,500**	**22,671**	**(7,971)**	**-**	**-**	**14,700**
Expired warrants (Note 8)	-	-	**(7,006)**	**-**	**7,006**	**-**
Balance at November 30, 2021	**20,373,165**	**1,792,964**	**2,303,324**	**1,226,449**	**(3,512,431)**	**1,810,306**

The accompanying notes are an integral part of these consolidated statements

Consolidated Statement of Cash Flow *(in Canadian dollars)*

For the years ended November 30, 2021 and November 30,2020

(in Canadian dollars)

	2021 $	2020 $
OPERATING ACTIVITIES		
Net loss	**(2,232,494)**	(510,149)
Adjustments for non-cash working capital items:		
Share-based Payments	**1,226,449**	-
Warrants issued for services	**117,927**	-
Changes in non-cash working capital items		
Other receivables	**(9,459)**	742
Sales tax receivable	**(16,270)**	(2,360)
Accounts payable and accrued liabilities	**(116,782)**	180,699
Cashflows used by Operating Activities	**(1,030,629)**	(331,068)
INVESTING ACTIVITIES		
Payment of reclamation bond	**(18,708)**	-
Addition to exploration and evaluation assets	**(693,732)**	(138,048)
Cashflows used by Investing Activities	**(712,440)**	(138,048)
FINANCING ACTIVITIES		
Proceeds / (repayment) of shareholder loans	**(14,000)**	73,000
Repurchase of share units	-	(26,784)
Proceeds from issuance of units, net of issuance costs	**2,243,973**	-
Proceeds from exercise of warrants and options	**14,700**	410,334
Share application money received	**-**	1,500
Cash flows from Financing Activities	**2,244,673**	458,050
Increase / (Decrease) in cash and cash equivalents	**501,604**	(11,066)
Cash and cash equivalents, beginning of the year	**5,601**	16,667
Cash and cash equivalents, end of the year	**507,205**	5,601
Supplementary cash flow information		
Gross value of shares issued	**2,388,290**	-
Less: Cash issue costs	**(52,727)**	-
Less: Shares issued in settlement of debts	**(25,090)**	-
Less: Shares issued in settlement of loans	**(65,000)**	-
Less: Share application money received in previous year	**(1,500)**	-
Net proceeds from issuance of units	**2,243,973**	-

The accompanying notes are an integral part of these consolidated statements

(in Canadian dollars)

1. Statement of incorporation and nature of activities

Crestview Exploration Inc. (the "Company"), incorporated under the Business Corporations Act of Canada on August 30, 2017, is involved in the process of exploring, evaluating and promoting its gold properties and other projects. The Company is domiciled in Canada. The address of the Company's registered office is 330 5th Avenue SW, Calgary, AB, T2P 0L3. The Company's shares are currently traded on the Canadian Securities Exchange ("CSE") under the symbol "CRS" and are also listed on the Börse Frankfurt stock exchange ("Frankfurt") with the ticker symbol "CE7".

The consolidated financial statements include a wholly owned subsidiary in the United States of America, Crestview LLC, that is not under operation. The Company's consolidated financial statements represent those of the parent company and its subsidiary as at December 31, 2021 and December 31, 2020. The Company's subsidiary has a reporting date of December 31st.

2. Basis of presentation

Statement of compliance and going concern

These consolidated financial statements have been prepared in accordance with International Financing Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and the basis of the going concern assumption, meaning the Company will be able to realize its assets and discharge its liabilities in the normal course of operations. The Company's ability to continue as a going concern depends upon its ability to obtain necessary financing to fund its prospection operations, its projects and continued support of suppliers and creditors.

The Company's business involves a high degree of risk and there is no assurance that the Company will be successful in discovering economically recoverable deposits on its mineral properties. Furthermore, the Company has not yet generated any income or cash flows from its operations and there is no assurance that the business will be profitable in the future.

	November 30, 2021	November 30, 2020
	$	$
Net Loss and Comprehensive Loss for the year	**2,232,494**	510,149
Deficit	**(3,512,431)**	(1,286,943)
Working Capital (deficiency)	**484,547**	(271,264)

Although the Company was able to raise a net of $ 2,243,973 during the year ended November 30, 2021, there still exist material uncertainties that cast significant doubt regarding the Company's ability to continue as a going concern. The carrying amounts of assets, liabilities and expenses presented in the consolidated financial statements and the classification used in the consolidated financial statements have not been adjusted as would be required if the going concern assumption was not appropriate. Those adjustments could be material. Management routinely plans future activities including forecasting cash flows. Management has reviewed their plan with the Directors and has collectively formed a judgment that the Company has adequate resources to continue as a going concern for the foreseeable future, which Management and the Directors have defined as being at least the next 12 months from the date of the financial position.

Coronavirus ("COVID-19")

The duration and full financial effect of the COVID-19 pandemic is unknown at this time, as are the measures taken by governments, companies and others to attempt to reduce the spread of COVID-19. Any estimate of the length and severity of these developments is therefore subject to significant uncertainty, and accordingly estimates of the extent to which the COVID-19 may materially and adversely affect the Company's operations, financial results and condition in future periods are also subject to significant uncertainty. In the current environment, the assumptions and judgements made by the Company are subject to greater variability than normal, which could in the future significantly affect judgments, estimates and assumptions made by management as they relate to potential impact of the COVID-19 and could lead to a material adjustment to the carrying value of the assets or liabilities affected.

Approval of Consolidated Financial Statements

These consolidated financial statements were approved for issuance by the Board of Directors on March 29, 2022.

3. Significant accounting policies

The consolidated financial statements are prepared using the significant accounting policies described in the present note. These methods have been applied consistently to all periods presented in these consolidated financial statements.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis.

Foreign currency translation

Functional and presentation currency

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rates). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates recognized in profit or loss.

Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the dates when fair value was determined.

Segment disclosure

The Company presents and discloses segmental information based on information that is regularly reviewed by the chief operating decision-maker, i.e. the President and the Board of Directors.

The Company has determined that it has only one operating segment, the sector of exploration and evaluation of mineral resources. All its exploration and evaluation assets are located in the United States.

Financial Instruments:

a) Classification

Financial Assets/Liabilities	**Classification under IFRS 9**
Cash and cash equivalents	Financial asset at amortized cost
Reclamation bond	Financial asset at amortized cost
Other receivables	Financial assets at amortized cost
Accounts payable and accrued liabilities	Financial liabilities at amortized cost
Shareholder loan	Financial liabilities at amortized cost

The Company determines the classification of financial assets at initial recognition. The classification of its instruments is driven by the Company's business model for managing the financial assets and their contractual cash flow characteristics. Financial assets are recognized at fair value and are subsequently classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL").

b) Measurement

<u>Financial assets and liabilities at amortized cost:</u>
Financial assets and liabilities at amortized cost are initially recognized at fair value plus or minus transaction costs, respectively, and subsequently carried at amortized cost less any impairment for a financial asset.

***3. Significant accounting policies** (continued from previous page)*

Financial assets and liabilities at FVTPL:

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

Impairment of financial assets at amortized cost

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost. At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve month expected credit losses. The Company recognizes an impairment gain or loss, the amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized.

Cash and cash equivalents

Cash and cash equivalents comprise cash in bank and demand deposits that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

Reclamation bonds

Reclamation bonds represent funds that are lodged with government authorities to be held against future reclamation and remediation of environmental disturbances as a result of exploration and development activities. After reclamation and remediation, the funds may be recovered. Where applicable under the arrangement with the government authority, the carrying value is increased by the accrued interest earned during the year.

Exploration and evaluation expenditures and exploration and evaluation asset

Exploration and evaluation expenditures are costs incurred in the course of initial search for mineral resources before the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. Costs incurred before the legal right to undertake exploration and evaluation activities are recognized in profit or loss when they are incurred.

Once the legal right to undertake exploration and evaluation activities has been obtained, all costs of acquiring mineral rights or options to acquire such rights (option agreement), expenses related to the exploration and evaluation of mining properties, less refundable tax credits related to these expenses, are recognized as exploration and evaluation assets.

Whenever a mining property is considered no longer viable, or is abandoned, the capitalized amounts are written down to their recoverable amounts; the difference is then immediately recognized in profit or loss.

When technical feasibility and commercial viability of extracting a mineral resource are demonstrable, exploration and evaluation assets related to the mining property are transferred to property and equipment in Mining assets under construction. Before the reclassification, exploration and evaluation assets are tested for impairment and any impairment loss is recognized in profit or loss before reclassification.

Although the Company has taken steps to verify title to the mining properties in which it hold an interest in accordance with industry practices for the current stage of exploration and development of such properties, these procedures do not guarantee the validity of the Company's titles. Title to property may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

3. ***Significant accounting policies*** *(continued from previous page)*

Exploration and evaluation expenditures and exploration and evaluation asset (continued from previous page)

To date, neither the technical feasibility nor the commercial viability of extracting a mineral resource has been demonstrated. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at a cash-generating unit level.

Whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, an asset or cash- generating unit is reviewed for impairment.

Impairment reviews for exploration and evaluation assets are carried out on a project by project basis, with each project representing a potential single cash-generating unit. An impairment review is undertaken when indicators of impairment arise, but typically when one of the following circumstances apply:

a) the right to explore the areas has expired or will expire in the near future with no expectation of renewal;
b) no further exploration or evaluation expenditures in the areas are planned or budgeted;
c) no commercially viable deposits have been discovered, and the decision has been made to discontinue exploration in the area;
d) sufficient work has been performed to indicate that the carrying amount of the expenditure carried as an asset will not be fully recovered.

Additionally, when technical feasibility and commercial viability of extracting a mineral resource are demonstrable, the exploration and evaluation assets of the related mining property are tested for impairment before these items are transferred to property and equipment.

An impairment loss is recognized in profit or loss for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less cost to sell and its value in use.

An impairment loss is reversed if the asset's or cash-generating unit's recoverable amount exceeds its carrying amount.

Equity

Share capital
Share capital represents the amount received on the issue of shares, less issuance costs, net of any underlying income tax benefit from these issuance costs. In addition, if shares were issued as consideration for the acquisition of a mineral property or some other form of non-monetary assets, they are measured at their fair value according to the price of the most recent share issue of the Company or, after the Company being listed, their fair value according to the quoted price on the date of the conclusion of the agreement.

Unit placements
The Company has adopted a residual method with respect to the measurement of common shares and warrants issued as private placement units. Warrants attached to units are valued based on the fair value of warrants using the Black-Scholes valuation model and the share price at the time of financing, and the difference between the proceeds raised and the value assigned to the warrants is the residual fair value of the shares.

3. Significant accounting policies *(continued from previous page)*

Equity (Continued)
Other elements of equity
Warrants
Warrants that have been issued in combination with common shares are accounted for under IAS 32, *Financial instruments: Presentation*. Equity classification applies to instruments where a fixed amount of cash (or liability) denominated in the issuer's functional currency is exchanged for a fixed amount of shares.In calculating the value of warrants, the Company used the Black Scholes option model which incorporates the following inputs: the Company's stock price, expected life of the warrant, volatility of the Company's stock price, dividend yield and the risk-free interest rate.

Warrants include fair value of allocated to warrants issued. When warrants are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under warrant reserve is transferred to deficit.

Contributed Surplus
Contributed surplus includes charges related to stock options until such stock options are exercised. When stock options are exercised, the related cost and fair value are transferred to share capital. Upon expiry, the fair value initially recorded under contributed surplus reserve is transferred to deficit. Deficit includes all current and prior period retained profits and losses. Deficit also includes charges related to warrants and stocks options expired and any amounts in excess of total contributed surplus related to shares repurchased.

Purchase for cancellation
When shares are purchased for cancellation, the carrying amount of the shares is recognized as a deduction of share capital. The difference between the purchase price and the carrying amount is charged to contributed surplus and then to deficit for any amounts in excess of total contributed surplus related to shares repurchased.

Share-based payments
Stock options plan
The Company operates an equity-settled share-based payment plan for its eligible directors, officers, and employees. The Company's plan does not feature any options for a cash settlement.

All goods and services received in exchange for the grant of any share-based payments are measured at their fair values, unless that fair value cannot be estimated reliably. If the Company cannot estimate reliably the fair value of the goods or services received, the Company measures their value indirectly by reference to the fair value of the equity instruments granted. For the transactions with employees and others providing similar services, the Company measures the fair value of the services received by reference to the fair value of the equity instruments granted.

All equity-settled share-based payments (except equity-settled share-based payments to brokers) are ultimately recognized as an expense in loss or capitalized as an exploration and evaluation asset, depending on the nature of the payment with a corresponding credit to contributed surplus or warrant reserve, in equity. Equity-settled share-based payments to brokers, in respect of an equity financing are recognized as issuance costs of the equity instruments with a corresponding credit to contributed surplus or warrant reserve, in equity.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of stock options expected to vest. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication that the number of stock options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognized in the current period. No adjustment is made to any expense recognized in prior period if stock options ultimately exercised are different to that estimated on vesting.

3. *Significant accounting policies (continued from previous page)*

Upon expiry of the warrants or stock options, the corresponding amounts in the warrants reserve and contributed surplus respectively are transferred to share capital.

Upon exercise of stock options, the proceeds received net of any directly attributable transaction costs are recorded as share capital. The accumulated charges related to the stock options recorded in contributed surplus are then transferred to share capital.

Basic and diluted loss per share

Basic loss per share is calculated by dividing net loss attributable to common equity holders of the Company by the weighted average number of common shares outstanding during the reporting period. Diluted earnings per share is calculated by adjusting the weighted average number of shares outstanding to assume conversion of all potentially dilutive share equivalents, such as stock options warrants and restricted share units. When a loss is incurred during a period, basic and diluted loss per share are the same because the exercise of share equivalents is then considered to be anti-dilutive.

Income taxes

Tax expense recognized in profit or loss comprises the sum of deferred and current tax not recognized in other comprehensive income (loss) or directly in equity.

Current tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the consolidated financial statements. Calculation of current tax is based on tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and associates is not provided if reversal of these temporary differences can be controlled by the Company and it is probable that the reversal will occur in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realization, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full. Deferred tax assets are recognized to the extent that it is probable that they will be able to be utilized against future taxable income.

Deferred tax assets and liabilities are offset only when the Company has a right and intention to set off current tax assets and liabilities from the same taxation authority.

Changes in deferred tax assets or liabilities are recognized as deferred tax expense in profit or loss, except where they relate to items that are recognized in other comprehensive income or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

3. Significant accounting policies *(continued from previous page)*

Accounting standards issued but not yet effective

At the date of authorization of these consolidated financial statements, certain new standards, amendments and interpretations to existing standards have been published but are not yet effective and have not been adopted early by the Company. Management anticipates that all of the pronouncements will be adopted in the Company's accounting policy for the first period beginning after the effective date of each pronouncement. Information on new standards, amendments and interpretations that are expected to be relevant to the Company's consolidated financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the Company's consolidated financial statements. In May 2020, the IASB issued a package of narrow-scope amendments to three standards (IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment" and IAS 37 "Provisions, Contingent Liabilities and Contingent Assets") as well as the IASB's Annual Improvements to IFRS Standards 2018 - 2020. These amendments to existing IFRS standards are to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts or oversights. These amendments are effective for annual periods beginning on or after January 1, 2022. The Company is assessing the potential impact of these narrow-scope amendments.

4. **Judgments, estimates and assumptions**

The preparation of the Company's consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainties about these assumptions and estimates could result in outcomes that would require a material adjustment to the carrying amount of the asset or liability affected in the future. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the consolidated financial statements.

Judgments

Going concern

The evaluation of the Company's ability to continue as a going concern, to raise additional financing in order to cover its operating expenses and its obligations for the incoming year requires significant judgment based assumptions including the probability that future events are considered reasonable according to the circumstances. Please refer to Note 2 for further information.

Impairment of exploration and evaluation assets

Determining if there are any facts and circumstances indicating impairment loss or reversal of impairment losses is a subjective process involving judgement and a number of estimates and interpretations in many cases. When an indication of impairment loss or a reversal of an impairment loss exists, the recoverable amount of the individual asset or the cash-generating units must be estimated. If it is not possible to estimate the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs must be determined.

4. **Judgments, estimates and assumptions** (Continued from previous page)

In assessing impairment, the Company must make some estimates and assumptions regarding future circumstances, in particular, whether an economically viable extraction operation can be established, the probability that the expenses will be recovered from either exploitation or sale when the activities have not reached a stage that permits a reasonable assessment of the existence of reserves, the Company's capacity to obtain financial resources necessary to complete the evaluation and development and to renew permits. Estimates and assumptions may change if new information become available. If, after expenditure is capitalized, information becomes available suggesting that the recovery of expenditure is unlikely, the amount capitalized is written off in profit or loss in the period when the new information becomes available.

The impairment loss of the exploration and evaluation assets recognized in profit or loss amounts to $nil for the 12 months ended November 30, 2021 (2020: $nil). No reversal of impairment losses has been recognized for the reporting period.

Management judged that there are no indications of impairment required on the projects of the Company.

Recognition of deferred tax assets and measurement of income tax expense

Management continually evaluates the likelihood that its deferred tax assets could be realized. This requires management to assess whether it is probable that sufficient taxable income will exist in the future to utilize these losses within the carry-forward period. By its nature, this assessment requires significant judgement. To date, management has not recognized any deferred tax assets.

Estimation uncertainty

Share-based payments and warrant valuation

The estimation of share-based payment costs and measurement of warrant value of issuance requires the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The model used by the Company is the Black Scholes valuation model. For the significant inputs in the Black Scholes option pricing model, management made the following assumptions:

- Underlying stock price: Set the stock price based on the equity offering from non-brokered private placements at or near the grant date of the options.
- Underlying stock price volatility: Based on historical data of comparable publicly traded companies in the mining industry.
- Expected life: Given the limited history of the stock option plan and the Company, setting expected life was inherently subjective.

Additionally, management is required to make an estimate of future forfeitures at the time of each grant and reduce the share- based payment accordingly. This was also inherently subjective due to the limited history of the Company.

(in Canadian dollars)

5. Cash and cash equivalents

Cash and cash equivalents are made up of the following:

	November 30, 2021	November 30, 2020
	$	$
Cash	**507,205**	5,601

6. Reclamation bond

During April 2021, the Company deposited an amount of $18,708 with the United States Department of the Interior, Bureau of Land Management as a bond towards coverage of statewide operations in the State of Nevada.

7. Exploration and evaluation (E&E) assets

Exploration and evaluation assets, including the costs of acquiring licenses and directly attributable general and administrative costs, initially are capitalized as exploration and evaluation assets. The costs are accumulated by property pending the determination of technical feasibility and commercial viability. Pre-license costs are expensed when incurred. Pre-exploration costs are expensed unless it is considered probable that they will generate future economic benefits. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the ability of the Company to obtain financing to complete the exploration and development of its mineral resource properties, the existence of economically recoverable reserves and future profitable production, or alternatively, upon the Company's ability to recover its costs through a disposition of its mineral resource properties. The amounts shown for exploration and evaluation assets do not necessarily represent present or future value. Changes in future conditions could require a material change in the amount recorded for exploration and evaluation assets.

The technical feasibility and commercial viability of extracting a mineral resource from a property is considered to be determinable when proved and/or probable reserves are determined to exist, and the necessary permits have been received to commence production. A review of each property is carried out at least annually. Upon determination of technical feasibility and commercial viability, exploration and evaluation assets are first tested for impairment and then reclassified to property, plant and equipment and/or intangibles or expensed to the statement of loss and comprehensive loss to the extent of any impairment.

Rock Creek Prospect - Elko County, Nevada

The Rock Creek property is comprised of 74 unpatented lode claims, located approximately 12 miles northwest of the old mining town of Tuscarora, in Elko County, Nevada, United States. The Company obtained this exploration property on September 19, 2017. Consideration for the property consisted of $125,430 CDN cash and 3,000,000 common shares valued at $0.05, for a total of $150,000, to be issued when the shares of the Company are listed on a recognized stock exchange by way of an initial public offering or any other similar type of going public transaction. The price of the shares was determined using the price of 4,876,000 share issued on September 22, 2017. During the year ended November 30, 2019, the Company issued 3,000,000 common shares valued at $0.05 per share.

7. Exploration and evaluation (E&E) assets (Continued from previous page)

Lease with option to purchase: Divide Mine and the Castile Mountain Project – Elko County, Nevada

During the year ended November 30, 2020, the Company entered into a lease with an option to purchase 100% interest in the Divide Mine and the Castile Mountain precious metal prospect, both located in Elko County, Nevada. The agreement is a third-party agreement with Geological Services Inc., a Utah Corporation. The Divide Mine comprised of 12 unpatented lode claims covering 247 acres when first leased. The Company staked seven more lode claims in July 2020 and the property now comprises of 19 claims, covering 391 acres. The Castile Mountain precious metal prospect is comprised of 8 unpatented lode claims covering 165 acres. The agreement is for a period of 10 years and includes payment of certain annual minimum royalty (See Note 7) commencing on April 2020 for $34,760. The Company maintains an option to buy out the properties at any time for a sum of $2,000,000 USD. However, in such a case, the Company would be obligated for a Royalty payout of 2% of the net sales realization.

During the year ended November 30, 2020, the Company made a payment of $34,760 pursuant to an agreement with Geological Services Inc in respect of the Divide Mine and Castille Mine properties. Under the agreement, the Company is obligated to pay certain minimum annual payments that are recoverable from royalties payable at the rate of 2% of Net Sales Realisation that would accrue consequent to commencement of production in the future (See Note 17). These payments have been classified as Mining Claims as depicted as below.

Option to purchase: Cimarron Project – Nevada

During February 2021, the Company entered into an option to purchase 100% interest in the Cimarron Project, located in Nevada. The agreement is a third-party agreement with Nevada Select Royalty Inc., a Nevada Corporation. The Cimarron Project comprises of 13 unpatented lode claims and certain data in possession of Nevada Select Royalty Inc. The agreement is for a period of 4 years and includes payment of certain annual minimum royalty (See Note 17) commencing on February 2021 for $31,748. The Company maintains an option to buy out the properties at any time for a sum of $200,000. Upon exercise of the option, the Company would be obligated for a Royalty payout of 2.5% of the net sales realization. The Company presently owns 31 claims.

During the year ended November 30, 2021, the Company made a payment of $31,748 pursuant to an agreement with Nevada Select Royalty Inc in respect of the Cimarron properties. During the year ended November 30, 2021, the Company made a payment of $22,005 and $22,005 pursuant to an agreement with Geological Services Inc in respect of the Divide Mine and Castille Mine properties respectively. Under the agreement, the Company is obligated to pay certain minimum annual payments (See Note 17). The output is also subject to a royalty of 2.5%. These payments have been classified as Mining Claims as depicted as below.

7. Exploration and evaluation (E&E) assets (Continued from previous page)

Exploration and evaluation assets are as follows:

Rock Creek Property

(Figures in Canadian $)

Particulars	Opening Balance (12/1/2018)	Addition during 2019	Opening Balance (12/1/2019)	Addition during 2020	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)
Mining Claims	275,430	-	275,430	-	275,430	-	275,430
Claim Fees	30,722	18,376	49,098	17,420	66,518	16,617	83,135
Consultancy - Claims	-	-	-	5,274	5,274	-	5,274
Total Claim Expenses	**306,152**	**18,376**	**324,528**	**22,694**	**347,222**	**16,617**	**363,839**
Consultancy	32,563	-	32,563		32,563	-	32,563
Geological Services	13,451	81,652	95,103	15,297	110,400	110	110,510
Survey	22,318	13,791	36,109	7,009	43,118	230	43,348
Testing Fees	-	1,955	1,955	30	1,985		1,985
Exploration	-	-	-	-	-	13,280	13,280
Drilling	-	-	-	-	-	2,865	2,865
Total Exploration Expenses	**68,332**	**97,398**	**165,730**	**22,336**	**188,066**	**16,485**	**204,551**
Grand Total	**374,484**	**115,774**	**490,258**	**45,030**	**535,288**	**33,102**	**568,390**

Divide Mine Property

(Figures in Canadian $)

Particulars	Opening Balance (12/1/2018)	Addition during 2019	Opening Balance (12/1/2019)	Addition during 2020	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)
Mining Claims	-	-	-	20,856	20,856	22,005	42,861
Claim Fees	-	-	-	11,283	11,283	4,747	16,030
Total Claim Expenses	**-**	**-**	**-**	**32,139**	**32,139**	**26,752**	**58,891**
Geological Services	-	-	-	9,274	9,274	-	9,274
Survey	-	-	-	11,610	11,610	2,371	13,981
Exploration	-	-	-	-	-	12,220	12,220
Drilling	-	-	-	-	-	3,112	3,112
Total Exploration Expenses	**-**	**-**	**-**	**20,884**	**20,884**	**17,703**	**38,587**
Grand Total	**-**	**-**	**-**	**53,023**	**53,023**	**44,455**	**97,478**

7. Exploration and evaluation (E&E) assets (Continued from previous page)

Castille Mine Property

(Figures in Canadian $)

Particulars	Opening Balance (12/1/2018)	Addition during 2019	Opening Balance (12/1/2019)	Addition during 2020	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)
Mining Claims	-	-	-	13,904	13,904	22,005	35,909
Claim Fees	-	-	-	1,948	1,948	1,856	3,804
Total Claim Expenses	**-**	**-**	**-**	**15,852**	**15,852**	**23,861**	**39,713**
Geological Services	-	-	-	7,267	7,267	1,929	9,196
Survey	-	-	-	9,495	9,495	2,235	11,730
Exploration	-	-	-	-	-	11,551	11,551
Drilling	-	-	-	-	-	2,030	2,030
Total Exploration Expenses	**-**	**-**	**-**	**16,762**	**16,762**	**17,745**	**34,507**
Grand Total	**-**	**-**	**-**	**32,614**	**32,614**	**41,606**	**74,220**

Cimarron Project

(Figures in Canadian $)

Particulars	Opening Balance (12/1/2018)	Addition during 2019	Opening Balance (12/1/2019)	Addition during 2020	Closing Balance (11/30/2020)	Addition during 2021	Closing Balance (Nov 30, 2021)
Mining Claims	-	-	-	-	-	32,691	32,691
Claim Fees	-	-	-	-	-	27,209	27,209
Total Claim Expenses	**-**	**-**	**-**	**-**	**-**	**59,900**	**59,900**
Geological Services	-	-	-	-	-	-	-
Survey	-	-	-	-	-	17,514	17,514
Testing Fees	-	-	-	-	-	37,591	37,591
Exploration	-	-	-	-	-	63,026	63,026
Drilling	-	-	-	-	-	376,110	376,110
Others	**-**	**-**	**-**	**-**	**-**	12,822	12,822
Total Exploration Expenses	-	-	-	-	-	**507,063**	**507,063**
Total	**-**	**-**	**-**	**-**	**-**	**566,963**	**566,963**
Grand Total	**374,484**	**115,774**	**490,258**	**130,667**	**620,925**	**686,126**	**1,307,051**

8. Share capital

a. Capital stock

The capital stock of the Company consists only of fully paid common shares.

Authorized

- Unlimited number of common shares, without par value, voting and participating.
- Unlimited number of preferred shares, without par value, non-participating. The directors will define the rights, privileges, restrictions and conditions of these shares upon issuance.

b. Issued

Year ended November 30, 2021 and 2020

In December 2020, the Company closed a non-brokered private placement by issuing 6,969,968 share units for gross proceeds of $2,090,990. Each share unit consists of one common share and one share purchase warrant, with each warrant exercisable into one common share at $0.40 within a period of three years since the date of issue. In connection with the placement, the Company paid a finders fee of $34,896 and 116,320 warrants, with an estimated fair value of $34,896, as compensation to qualified finders. Each warrant is exercisable at a price of $0.40 for three-year from the date of issuance. Using the residual method, the fair value of shares was estimated to be $nil and the fair value of the warrants was estimated to be $2,090,990. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.

In March 2021, the Company closed a non-brokered private placement by issuing 349,765 share units for gross proceeds of $297,300. Each share unit consists of one common share and one-half share purchase warrant, with each whole warrant exercisable into one common share at $1.25 within a period of two years since the date of issue. In connection with the placement, the Company paid $17,838 also issued a total of 10,493 warrants, with an estimate fair value of $3,777, as compensation to qualified finders. Each warrant is exercisable at a price of $1.25 for two-year from the date of issuance.

Using the residual method, the fair value of shares was estimated to be $234,342 and the fair value of the warrants was estimated to be $62,958. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.
The above costs have been booked as cost for issuance of shares and have been offset from the proceeds from issuance of shares.

c. Repurchased

During the year ended November 30, 2020, the Company repurchased 300,000 shares for $26,784 from Kingsmere Mining Ltd. The repurchased shares were cancelled.

d. Equity reserve – Warrants

During the year ended November 30, 2021, the Company issued

a) 6,969,968 warrants for each unit of share sold. Each warrant is exercisable into one common share at a price of $0.40.
b) 174,882 warrants for each unit of share sold. Each warrant is exercisable into one common share at a price of $1.25.
c) 116,320 warrants as finder's fee in connection with the raising of finances. Each warrant is exercisable into one common share at a price of $0.40.
d) 10,493 warrants as finder's fee in connection with the raising of finances. Each warrant is exercisable into one common share at a price of $1.25.
e) 336,933 performance warrants in connection with the marketing of the Company in Europe. Each warrant is exercisable into one common share at a price of $0.60. Fair value of these warrants was estimated to be $117,927. See Note 8 (d) for the assumptions applied in the Black-Scholes pricing model in determining the fair value of the warrants.

(in Canadian dollars)

8. Share capital (Continued from previous page)

d. Equity reserve – Warrants (*Continued from previous page*)

During year ended November 30, 2020, the fair value of expired warrants estimated at of $169,789 was transferred from the warrants reserve to deficit.

During the year ended November 30, 2021, 68,000 warrants expired and consequently the fair value of expired warrants estimated at of $7,006 was transferred from the warrants reserve to deficit. During the year ended November 30, 2021, 36,500 warrants were exercised pursuant to which an amount of $7,971 was transferred from the warrant reserve to share capital.

Details of common share purchase warrants outstanding are as follows:

	November 30, 2021		November 30, 2020		
	Number of Warrants	**Weighted average exercise price**	**Number of Warrants**	**Weighted average exercise price**	
Outstanding - beginning of period	68,500	0.60	2,822,656	$	0.25
Granted	7,608,596	0.41	500,000	$	1.20
Cancelled	-	-	(500,000)	$	1.20
Exercised	(36,500)	0.40	(1,125,556)	$	0.33
Expired	(68,000)	0.60	(1,628,600)	$	0.17
Outstanding - end of period	7,572,596	0.41	68,500	$	0.60

As at November 30, 2021, the following share purchase warrants were outstanding:

	As at November 30, 2021			As at November 30, 2020		
Expiry date	**Number of Warrants**		**Exercise price**	**Number of Warrants**		**Exercise price**
December 2020	-		-	500	$	0.60
January 2021	-		-	26,625	$	0.60
February 2021	-		-	17,625	$	0.60
March 2021	-		-	22,750	$	0.60
April 2021	-		-	1,000	$	0.60
March 2023	185,375	$	1.25	-		-
December 2023	7,050,288	$	0.40	-		-
January 2024	336,933	$	0.60	-		-
	7,572,596		0.41	68,500		0.60

The fair value of the warrants issued noted above were estimate based on the following ranges of key assumptions:

Warrants Reserve	Year ended November 30, 2021
Exercise Price	$0.40 to $1.25
Expected Life	2 to 3 years
Dividend Yield	Nil
Volatility	94% to 100%
Risk Free Interest Rate	0.19% to 0.49%
Fair Value	$0.30 to $0.36

(in Canadian dollars)

9. Share-based payments

The Company offers a stock option plan for its officers, directors, employees and consultants. The fair value of stock options for each vesting period is determined using the Black Scholes option pricing model and is recorded over the vesting period as an increase to stock-based compensation and contributed surplus. A forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of options that vest. Upon the exercise of stock options, the proceeds received by the Company and the related contributed surplus are recorded as an increase to share capital. In the event that vested stock options expire, previously recognized share-based compensation is not reversed. In the event that stock options are forfeited, previously recognized share-based compensation associated with the unvested portion of the stock options forfeited is reversed.

The fair value of share-based payment transactions to non-employees and other share-based payments including shares issued to acquire exploration and evaluation assets are based on the fair value of the goods and services received. If the fair value cannot be estimated reliably, the share-based payment transaction is measured at the fair value of the equity instruments granted at the date the Company receives the goods or services.

During the year ended November 30, 2020, the Company did not issue any stock options. During the year ended November 30, 2020, 75,000 stock options have expired and consequently, their fair value of $10,949 initially recorded under contributed surplus has been credited to deficit.

During the year ended November 30, 2020, 100,000 options were exercised at $0.40. The fair value of $14,600 initially recorded under contributed surplus has been credited to the share capital account.

Stock Options	**Year ended November 30, 2021**	Year ended November 30, 2020
Outstanding at the beginning of the year	**-**	175,000
Options granted	**1,950,000**	-
Options Expired	**(300,000)**	(75,000)
Options Exercised	**-**	(100,000)
Outstanding at the end of the year	**-**	-

On March 16, 2021, the Company issued 1,550,000 incentive stock options to key management and directors at $1.02 and 400,000 incentive stock options to consultants at $1.02.The stock options were modified effected on July 9, 2021,whereby the Company issued 1,550,000 incentive stock options at $0.41 to key management and directors and 400,000 incentive stock options to consultants at $0.50. These stock options shall vest quarterly over 12 months and shall be valid for 5 years. Accordingly, under IFRS 2, the transaction has been classified as a “modification of share-based payment” an amount of $1,226,449 has been considered as share-based compensation during the year. 412,500 of these options were vested at the November 30, 2021 year end.

Stock options	Year ended November 30, 2021
Exercise Price	$0.42 to $1.02
Expected Life	5 years
Dividend Yield	Nil
Volatility	104% to 116%
Risk Free Interest Rate	0.94% to 1.03%
Fair Value	$0.31 to $0.76

(in Canadian dollars)

10. Impairment of advance

During the year ended November 30, 2020, the Company engaged a European Firm to provide marketing and investment promotion services. Pursuant to the agreement, the Company issued €50,000 cash, 500,000 of shares, and 500,000 of warrants. As the Firm did not perform on its deliverables and management deems that it has not received any services, the Company has cancelled the shares and warrants issued and no value had been assigned to these shares and warrants. The Company considered the €50,000 cash issued as an advance and has assessed this advance to not be recoverable as at year-end.

11. Loss per share

Loss per share has been calculated using the weighted average number of common shares outstanding for the year ended November 30, 2021, and for year ended November 30, 2020 as follows:

	November 30, 2021	November 30, 2020
Net loss for the year attributable to shareholders	**2,232,494**	510,149
Weighted average number of common shares outstanding	**19,925,797**	12,994,730
Basic and diluted loss per share	**0.11**	0.04

For the year ended November 30, 2021 and for the year ended November 30, 2020 potential dilutive common shares from incentive stock options and warrants have not been included in the loss per share calculation as they would result in a reduction of the loss per share.

12. Income taxes

The provision for income tax differs from the amount that would have been expected if the reported loss had been subject only to the Canadian statutory income tax rate.

	November 30, 2021 ***$***	*November 30, 2020* *$*
Loss before income taxes	**(2,232,494)**	(510,149)
Expected income tax recovery (2021 – 23% and 2020 – 24.25%)	**(513,474)**	(123,711)
Tax expense at combined statutory rate increase (decrease) in income taxes resulting from:		
Tax benefits not recognized	**203,228**	121,962
Share-based payments	**282,083**	-
Warrants issued for services	**27,123**	-
Other	**1,040**	1,749
	-	-

The statutory tax rate declined from 24.25% to 23% due to a reduction in the Alberta provincial tax rate on July 1, 2020.

As at November 30, 2021 and 2020, the Company has the following deductible temporary differences for which no deferred tax has been recognized:

	As at November 30, 2021		As at November 30, 2020	
	Federal	**Alberta**	Federal	Alberta
Issuance costs and other	**78,679**	**78,679**	8,289	8,289
Non-capital losses	**1,936,444**	**1,936,444**	1,031,826	1,031,826
	2,015,123	**2,015,123**	1,040,115	1,040,115

(in Canadian dollars)

12. Income taxes (Continued from previous page)

The ability to realize the tax benefits is dependent upon a number of factors, including the future profitability of operations. Deferred tax assets are recognized only to the extent that it is probable that sufficient profits will be available to allow the asset to be recovered. At November 30, 2021, deferred tax assets totaling $463,478 (2020 - $239,226) have not been recognized.

The Company has the following non-capital losses which are available to reduce income taxes in future periods, for which no deferred tax asset has been recognized in the statement of financial position, that can be carried over the following years:

	Federal	*Alberta*
	$	*$*
2037	66,787	66,787
2038	198,617	198,617
2039	260,752	260,752
2040	505,675	505,675
2041	904,613	904,613
	1,936,444	1,936,444

13. Related party transactions

Transactions with key management: Key management personnel of the Company comprise of the members of the board of directors, as well as the President and Chief Executive Officer, the Chief Financial Officer ("CFO"), and VP of Exploration. The compensation paid to key management is presented below:

Key Managerial Personnel	**Account Head**	**Expenditure**		**Liability**	
		Year Ended		as at	
		30-Nov-21	30-Nov-20	30-Nov-21	30-Nov-20
		$	$	$	$
Chief Financial Officer	Professional fees	-	16,875	-	332
Corporation in which CFO is an Officer	Professional fees	110,130	51,475	-	150
	Marketing and promotion	1,530	-	-	
Chief Executive Officer	Professional fees	101,460	19,000	-	-
Corporation in which CEO is an Officer	Professional fees	24,000	53,250	-	-
	Marketing and promotion	725	9,478	-	29,925
	Marketing and promotion	50,183	1.417	-	1,417
Ex-VP of Exploration	Exploration and evaluation assets	-	35,517	8,112	11,740
VP of Exploration	Exploration and evaluation assets	175,302		3,514	
Dimitrios (James) Liakopoulos	Director fees	48,000	20,000	4,102	32,235
Wei-Tek	Director fees	9,000	7,500	-	7,500
Louis Lapointe	Director fees	9,000	7,500	-	2,250
Jim MacKenzie	Director fees	9,000	7,500	-	2,250

Shareholder loans:

	November 30, 2021		November 30, 2020	
	Loans Received	Loans Repaid	Loans Received	Loans Repaid
	$	$	$	$
Dimitrios (James) Liakopoulos	-	29,227	29,000	6,000
SCA Capital PTY Ltd	-	50,000	50,000	-

(in Canadian dollars)

13. Related party transaction (Continued from previous page)

Shares and Warrants Purchased

	November 30, 2021			November 30, 2020		
	Units	Warrants	Value	Units	Warrants	Value
	Nos	Nos	$	Nos	Nos	$
Dimitrios (James) Liakopoulos	50,000	50,000	15,000	-	-	-
SCA Capital PTY Ltd	166,667	166,667	50,000	-	-	-
Corporation in which CEO is an Officer	56,667	56,667	17,000	-	-	-
Jim mcKenzie	13,667	13,667	4,100	-	-	-

Stock Options Issued during year ended November 30, 2021 (Previous year: Nil):

	Price	Amount issued
Chief Executive Officer	$ 0.41	475,000
CFO	$ 0.41	250,000
James Liakopoulos	$ 0.41	250,000
Jim Mackenzie	$ 0.41	250,000
Louis Lapointe	$ 0.41	100,000
Wei-Tek Tsai	$ 0.41	75,000
VP of Exploration	$ 0.41	150,000
		1,550,000

14. Capital management policies and procedures

The Company's objectives in managing capital is to safeguard its ability to continue its operations, to increase the value of the assets of the business and to provide an adequate return to owners. These objectives will be achieved by identifying the right exploration prospects, adding value to these projects and ultimately taking them through to production or sale and cash flow, either with partners or by the Company's own means. The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company August issue new shares to improve its financial performance and flexibility. The company monitors capital on the basis of the carrying amount of equity. Capital for reporting period under review is summarized in Note 8 and in the statement of changes in equity. The Company is not subject to any externally imposed capital requirements.

15. Financial assets and liabilities

The carrying amounts and fair value of financial instruments presented in the statement of financial position are as follows:

	As at November 30, 2021		As at November 30, 2020	
	Carrying Amount	**Fair Value**	Carrying Amount	Fair Value
Financial assets				
Cash and cash equivalents	**507,205**	**507,205**	5,601	5,601
Other receivables	**12,009**	**12,009**	2,550	2,550
Reclamation bond	**18,708**	**18,708**		
Financial liabilities				
Accounts payable and accrued liabilities	**68,942**	**68,492**	218,193	218,193
Shareholder loans	**-**	**-**	79,227	79,227

The carrying value of cash and cash equivalents, accounts payable and accrued liabilities and shareholder loan is considered to be a reasonable expectation of fair value because of the short-term maturity of these instruments.

16. Financial risks

The Company is exposed to various risks in relation to its financial instruments. The main types of risks the Company is exposed to are credit risk and liquidity risk. The Company's main financial risk exposure and its financial risk management policies are as follows:

Credit risk

Credit risk relates to the risk that one party to a financial instrument will not fulfill some or all of its obligations, thereby causing the Company to sustain a financial loss. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets, cash and cash equivalents and receivables at the reporting date for the aggregate amounts of $519,214 at November 30, 2021 (November 30, 2020: $8,151). This amount excludes the reclamation bond of $18,708 which covers a bond towards coverage of statewide operations in the State of Nevada (Note 6). The risk related to cash and cash equivalents is considered negligible as the Company is dealing with a reputable financial institution whose credit rating is excellent and the cash held in trust is accessible as and when required.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's liabilities have contractual maturities (including interest payments where applicable) as summarized below:

	Within 3 months	
	November 30, 2021	November 30, 2020
	$	$
Accounts payable and accrued liabilities	68,942	218,193
Shareholder loans	-	79,227
Total Liabilities	68,942	297,420

The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the liabilities at the reporting date. Where the counterparty has a choice of when an amount is paid, the liability has been included on the earliest date on which payment can be required.

Exchange rate risk

Foreign currency risk is the risk that the Company financial performance could be affected by fluctuations in the exchange rates between currencies. The Company's exploration costs are denominated in U.S. dollars. Being a development stage Company, the Company has no revenues that would have offset the risk of the exchange rate. Currently, the Company has no hedging contracts in place and therefore has exposure to the foreign exchange rate fluctuations. The strengthening of the U.S. dollar would increase the cost of developing the properties under exploration. Strengthening of the Canadian dollar would reduce its overall development cost thereby reducing the need for raising further funding to that extent.

17. Commitments

Pursuant to the agreement with Geological Services Inc. in connection with the lease and option on the Divide Mine, the Castile Mountain and the Cimarron projects the Company is required to make certain annual payments. The commitments of the Company for the next 5 years are as follow:

Year	Divide Mining & Castile Mining Projects	Cimarron Gold Project	Total	Total
	US$	US$	US$	C$
2022	50,000	35,000	85,000	108,732
2023	75,000	50,000	125,000	159,900
2024	100,000	45,000	145,000	185,484
2025	150,000	45,000	195,000	249,444
2026	150,000	-	150,000	191,880

The payments of 2024 and 2025 for Divide Mine and Castille Mining Projects are to be indexed based and the minimum royalty for 2025 is to be continued for the term of the agreement i.e., 10 years unless the Company exercises its option to purchase the properties. The amounts are expressed in Canadian Dollars at an exchange rate of 1.2792.

18. Events occurring after balance sheet date

200,000 stock options were issued to the Chief Executive Officer in December 2021 at $0.40, vesting quarterly over 1 year.

The Company had made a private placement financing dated March 23, 2021, for 349,765 share units comprised of one common share and one-half share purchase warrant. Each whole warrant entitles the holder to purchase one common share of Crestview Exploration Inc. stock at an exercise price of $1.25 per common share. These 174,882 share purchase warrants were to expire by March 2023. During March 2022, the Company extended the maturity date of the share purchase warrants to March 2024.